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## AFTER TWELFTH SESSION OF THE GENERAL ASSEMBLY OF UN

Srđa PRICA

State Under-secretary for Foreign Affairs

IF THE sessions of the General Assembly of UNO were only estimated by the number of questions which found concrete solutions, we should say that the twelfth session was not of special importance. It began in rather unfavourable international conditions, which did not give much hope for the settlement of any of the more important questions, and many delegations thought that this session might claim to be successful if only it did not lead to the further worsening of relations.

However, in view of the various manifestations which make their appearance during the session it may be said that it was of no less importance than many previous dramatic sessions at which a number of concrete and very important solutions were arrived at.

The twelfth session began in a difficult atmosphere, after the breaking off of the London negotiations on disarmament with the revived discussion on Hungary carried over from the ele-

venth session, in the middle of the tension of the Near East crisis, and in consideration of the deterioration of relations between Turkey and Syria. In addition to this, the Soviet success in the production of ballistic inter-continental missiles and the artificial earth satellites greatly influenced the attitude of great powers and indeed that of the whole session.

The session therefore began in an atmosphere of distrust among the great powers, with the tendency to form a front in defence of old and already achieved positions. This was particularly seen in the discussion on disarmament, which was one of the chief items on the agenda.

Meanwhile, as the session continued, opposition gradually became more evident, and new tendencies were manifested in international relations, with new problems which obviously could not be solved in the old way. Thus in the discussion on disarmament (which bore the seal of the cold war),

and in spite of the resolution voted by 23 countries which had the character of an uncompromising front formation, one could already notice resistance to the *bloc treatment of problems*. This resolution did not represent a victory for its sponsor, but actually expressed an inability to find a realistic policy for the new conditions; it was rather a clinging to the old policy and the old methods, which were not suitable for the settlement of any problems, but which were nevertheless resorted to because of the atmosphere at the beginning of the session.

Later this resistance became more definite and explicit, though it was not always adequately reflected in the voting. Elements showing a favourable turn in United Nations activity were more and more clearly manifested. These were as follows:

1) A clearer realization that problems can no longer be treated in the old way and that the "realistic" policy of securing predominance in mili-

tary force is not actually realistic in present conditions;

2) A tendency towards emancipation from bloc conceptions and a more independent treatment of many concrete questions. It was beginning to be felt that understanding between blocs does not settle the question of peace and war, though this was the aim hope of the so-called Geneva period, but that it is necessary, if a solution is desired at all, to start with understanding between nations — an understanding which will actually break down bloc frontiers. One may say that a certain loosening of bloc coherence was felt;

3) The increased rôle of the small and medium countries, especially those outside the blocs, or the so-called „independent“ countries (India, Yugoslavia, Sweden, Mexico, Egypt, etc.);

4) The greater and more mature activity of the Asian and African countries, especially in questions on colonialism and the peaceful development of former dependent countries;

5) And as a result of all this, a new numerical balance. In the course of this session it became quite clear that on any important question it was going to be difficult today to obtain a two-third majority for resolution expressing only the conceptions of one side or one great power.

The general debate and the discussions on the Turko-Syrian conflict and on disarmament showed in the first days of the session a serious criticism of the great powers, and later led to a series of concrete suggestions and counter-suggestions from the small and medium countries on nearly every question, thus bringing pressure to bear on the great powers to modify their conceptions.

Accordingly, during the session of the General Assembly there gradually emerged a general tendency to formulate resolutions which could be accepted unanimously; the great powers accepted more frequently the initiative of the small and medium countries in order to reach compromises and even unanimous solutions. This resulted in a whole series of compromises accepted unanimously.

In this General Assembly session Yugoslavia, as a socialist and non-bloc country, together with India and other „independent“ countries, played a significant rôle in finding compromise solutions. The Yugoslav delegation proposed many compromises and took an active part in their formulation. These resolutions were nearly all ac-

cepted unanimously or by a large majority (the resolutions on co-existence, on atomic radiation, on the Special Fund for aid to underdeveloped countries, on the commission on disarmament, a series of resolutions on questions of colonialism and trusteeship, etc.), and Yugoslavia was elected to two commissions — that on disarmament, and the preparatory commission for the Special Fund for aid to underdeveloped countries.

It was neither accidental nor without significance that the compromise resolution on co-existence was accepted unanimously at the end of the session. The unanimous acceptance of this resolution, and the general improvement in the atmosphere at the end of the session were not, as some would have it an expression of a hopeless situation or a wish to hide the sterility of the session with pretty gestures but, on the contrary, the clear sign of a gradually increasing belief that solution can only be found in this direction — the acceptance of the principles of co-existence, the overcoming of bloc contradictions and the strengthening of international confidence. The reason which led some delegations to accept this conclusion of the session, or whether they really considered it only as a tactic gesture, after which the old policy could be resumed, is not important but it is important that they

were compelled to make just such a gesture and show their goodwill just in this way. It may be said, in fact, that the uncompromising conceptions at this session were some kind of effort at concealment of the truth — actions at this session were so-truth — a denial of the new tendencies which are gradually being affirmed in international life and in the work of the United Nation.

These manifestations cannot be explained, as some delegations try to do by some simple group formation of a large number of new members of the United Nations, for first of all the very fact that a large number of „new“ countries took part in the activity of the United Nations is an expression of real development in international life and, secondly, it is rather the result of a certain process of „group abolition“ than that of the forming of groups as mechanical exchange of numerical relation.

In fact, the twelfth session of the General Assembly reflected both the hopeless situation in international relations and the new elements in these relations, which point to the necessity and possibility of the new treatment of problems and the new methods which will have to be resorted to in order to find a way out of this hopeless situation.

## INITIATIVES AND PROPOSALS

N. DUBRAVČIĆ

OWING to the inertia of old conceptions, the world is in danger of being put „out of joint“ to use the Shakespearean phrase. Briefly it is faced by the greatest dilemma of modern time: will the responsible governments be able to muster sufficient force and reason to counter the threat which looms above mankind, or will the further absolutization of armed power lead mankind to its extermination. The threat lies in the fact that the world is divided by an abyss of hatred and distrust, which with almost arithmetical precision drives the countries of the two hemispheres to the holocaust of mutual destruction. The threat also lies in the fact that armed power is striving to become absolute in its destructive power. Finally both sides have accomplished their objective: today both blocs are equipped with such an arsenal of arms, that their peoples, resources and civilization hang on the balance. The endeavours to take force as the mainstay of a certain way of

thought, as a means for the solution of outstanding problems and disagreements between countries doubtless represents the climax of this threat.

The actual nature of this threat as well as the dilemma of contemporary society was perhaps most adequately formulated by President Tito of Yugoslavia. His New Years Address not only expresses the fears and hopes of men of goodwill throughout the world not only an objective analysis of the movements and facts in international life, but also an appeal of a statesmen that the ideas which impose themselves as the sole alternative and prospect for the future be adopted and indorsed. It seems that the spirit of this message most accurately reflects the consciousness and need of mankind: the solution does not lie in the efforts of one side or the other to maintain or restore the balance of armed power, but in the collective efforts of both to create a balance of confidence. The

strengthening of military power can lead to a certain degree of equality at best, but never to the degree of confidence indispensable for the solution of the dilemma to be approached. If the countries which are in question are located on one and the same planet then it is high time that, if they wish to live, they begin seeking realistic ways and means and a realist platform for pacification and agreement. This needless, to say is far from easy, and precisely for this reason every initiative for the renewal of international policy, the change of its spirit, style and methods constitutes a welcome inspiration which should enlist the governments and public opinion for the persistent and bold quest of ways and formulas for the peaceful settlement of disputes.

The Yugoslav President put forward his proposal: to approach the organization of a broad international conference on summit level at which also little and medium countries would be represented besides the big powers. The purpose of this conference would be to renew direct contacts between statesmen and begin talks; to replace the language of fear and intimidation by the language of negotiation and agreement; to begin the joint examination of the practical possibilities for the gradual solution of the problems which divide the world; finally, to reach a historical turning point by jointly confirming the readiness of the governments to renounce recourse to arms and force in the settlement of disputes. This would not be talks on an agreement which would confirm the superiority of one side or the other, but an agreement which would confirm the superiority of the common need and common interest, the superiority of the idea of peace and general progress.

The wave of recognition and approval throughout the world confirms that President Tito's proposal vividly expressed the essential need of our time. As a most realistic suggestion, this proposal appropriately supplements a series of similar initiatives of goodwill, the new conceptions and new tendencies which are gaining ever broader currency in world political opinion. The hopelessness of bloc rivalry and the tremendous risks inherent in power politics make wise men and realistic statesmen seek a way out of the blind alley by the renewal of talks and the mutual rapprochement of the antagonistic camps. Although in different versions, these suggestions have a common starting point: each in its own way confirms untenability of the old methods and testify to the absolute necessity of seeking fresh solutions by means of peaceful negotiation between East and West. It is indispensable to break the ice of distrust and establish direct contacts, to find at least one aspect of talks, of which there are many, i. e. the prohibition of nuclear test explosions, various forms of armaments, the problem of security, demilitarized zones etc. The great significance attributed to Macmillan's pro-

posal, for example, substantiates the general aspiration in Western Europe to study new ways of stopping the cold war. Needless to say, it would not be reasonable to seek guarantees for a hundred years peace and a general formula for the solution of East-West repartitions in a proposal a non-aggression pact. However, those who reject every such initiative *a priori* are still more unreasonable. Irrespectively of the fact that it is limited in scope by the reserve of the British allies and that it is essentially and to a large extent a product of bloc philosophy, it is an encouraging sign of the restoration of a more intelligent leadership in the West, an expression of a bolder and more realistic approach to the general problem of talks and pacification.

It is unfortunate however that the official policy of the West shows an alarming lack of courage, flexibility and readiness to grasp the hand of conciliation extended by the Eastern countries. If the fresh breezes from the East are meeting with a cold reception in the western capitals, this cannot benefit the Western countries or the world at large. The antagonisms and tension which threaten peace and the achievements of mankind cannot be eliminated if concrete offers are not countered by opening the door of the conference room. The eight point programme of President Eisenhower and his answer to Premier Bulganin makes one uncertain as to the intentions and motives of the White House. It is hard to find a way out of the vicious circle if policy is retained within the framework of the old conception on the building up of positions of power, military force and the continuance of "diplomacy on the verge of war". Thus for example the guarantees of sincerity required by Washington with regard to the Soviet proposals could best be tested during the talks themselves, while the Washington thesis "first deeds then words" is devoid of all sense under the present circumstances: concrete proposals and concrete measures with regard to the reduction of the armed forces on the one side, and on the other, — stepped up activities aiming at the increase of military power and the establishment of rocket bases. Truly if the West does not respond to the

Soviet and other initiatives, — especially the latest significant offer of Premier Bulganin which also contains the proposal that the non-bloc countries also take part in the summit conference, — With the necessary readiness to talk, it is unlikely that it will avoid the responsibility for the continuance of the status quo in the eyes of the peace loving public opinion throughout the world.

It is true that the burden of the past is too heavy, and mutual fear too strong to render the big power conference an immediate reality. The Yugoslav President probably had this circumstance in mind, when he gave the idea for the meeting of the highest representatives of big and small countries alike. It seems that this idea is far more realistic in view of the fact that the big powers are much more divided in their mutual relations, and the possibilities of their action far more restricted by bloc conceptions and considerations. The conference of big and small powers is also more acceptable from several other aspects: in the first place it would ensure a far broader and objective discussion of controversial issues and guarantee more democratic, just and authoritative decisions. In the conflict of two standpoints, the independent and little countries would at such a meeting doubtless exert a favourable influence on the rapprochement of big power attitudes. If it is true that the decisions on crucial problems, such as disarmament, nuclear tests, and security depend primarily on the big powers, the fact little and medium countries can play a decisive role in the efforts to overcome the present differences and reach agreement is less obvious. This refers particularly to those countries which are not aligned in any bloc and which maintain equally good relations with the East and West alike thus concretely confirming the efficaciousness and possibility of the policy of active coexistence.

Such a policy of coexistence, finally, constitutes the only real platform under the present circumstances on which the two ways of life can find sufficient breathing space for their parallel and peaceful existence.

In the next issue of the "Review of International Affairs" famous Soviet scientist which is called "sputniks' father" in the foreign press,

ACADEMICIAN L. SEDOV

will publish the article:

"NEW SPUTNIKS ARE TO COME"

## BEST HOPES FOR THE WELFARE OF MANKIND

Leopold FIGL

Minister of Foreign Affairs in the Austrian Government

THE ANSWERS of the Foreign Ministers of Denmark, Czechoslovakia and Ethiopia to the questions submitted them by the editors of the „Review of International Affairs“ within the framework of their New Year enquiry were published in the previous issue. The reply of the Austrian Foreign Minister His Excellency Leopold Figl arrived after the copy had already gone to the press, so that it will appear in this number:

The question ran: „As always on this day we are drawing up a balance sheet of the past year. It will doubtless go down in history as a year of epoch making scientific achievements as well as other significant events on the political plane. Do you consider that the past year drew us closer to the consolidation of peace and international cooperation, and which were the methods and phenomena in political life that exerted a positive and which a negative influence? What do you expect of the coming year? What should be done in your opinion to increase confidence in international relations and ensure the prevalence of methods which pave the way to agreements and the rapprochement of views thus enabling the gradual approach to the solution of the outstanding international issues?“

IT IS TRUE that the past year did not draw us any closer to war or peace. Owing to the successes accomplished in the domain of technology a world war seems unlikely as destruction would be total and the ensuing chaos unimaginable. These successes do not preclude the outbreak of local hostilities, however.

The world pinned its greatest hopes on the disarmament talks which were held

in London and resumed in the United Nations, and yet experienced a bitter disappointment. I would qualify the unsuccessful outcome of the disarmament talks as the greatest disappointment of 1957. I consider the lack of confidence which still impedes a negotiated settlement of this problem as the main reason of their failure. East-West relations can only be regulated when words are replaced by deeds and

when both sides prove their readiness to compromise by concrete acts.

Since their creation the United Nations provided constant proof that they represent the forum which is capable of overcoming the existing contradictions within the shortest time and which contributed most to the preservation of peace. However the United Nations frequently had to admit that they were unable to intervene successfully in those cases when human rights were violated, namely where they were not applied. If every country would respect and implement the fundamental principles of the United Nations Charter, then lasting peace could prevail. Then a world devoid of fear and hatred could be created.

In spite of this however, a noteworthy event took place last year, which vouchsafes the best hopes for the welfare of mankind. I refer to the session of the first general conference of the International Atom Agency and the constitution of this world Organization in Vienna. The atmosphere at this conference held in the Austrian capital differed in a positive sense from many other international meetings, and it should therefore be hoped that this spirit of pacification and readiness to reach agreement will have a fruitful influence on the subsequent disarmament talks. The cooperation of representatives of member countries within the framework of this Organization will doubtless have a favourable effect on international relations, thus enabling personal contracts and close cultural and economic ties to contribute to the elimination of barriers which divide the peoples of the world.

## THE ENQUIRY INTO EUROPEAN INTEGRATION

### A FRENCH CONCEPTION OF INTEGRATION

Andre PHILIPPE

FOR the last ten years I have been devoting most of my attention to activities whose aim is economic and political unification of Europe. I am happy to have this opportunity of setting forth here, in answer to your Review's enquiry, the chief reasons for my activity.

a) It seems to me that one fact is self-evident: *national limits hamper the solution of the problems of our epoch.* — We are witnessing a conflict between the productive forces and the national legal limits which at the time of their creation in the seventeenth century were a progressive feature, but which today constitute a check to technical progress.

This is particularly true in the case of France. French economy was an almost closed national economy throughout the nineteenth century, and our enterprises became accustomed to the shelter of the customs barriers which protected them from foreign competition. But now our agriculture is undergoing a process of renewal and modernization and the home market is no longer sufficient for the absorption of its production. As regards our industry, its rise depends on the import of raw materials and fuels, which are paid for with surplus exports. The present adverse payment balance is a sign of a lasting, almost permanent crisis. Our trade

balance has been regularly adverse during the last one hundred years. This adverse balance was covered for a long time by proceeds from capital invested abroad, and later by American assistance. Today our economy is obliged to adapt itself to the new situation while exports must take first place in our economic policy. France can no longer live in isolation; she needs an expanded international or regional market. Finally, the new technical achievements (utilization of atomic energy for peaceful purposes, automation) can be utilized on a wider scale only in a framework transcending national economies. A narrow market must cause considerable difficulties during the process of adaptation to new conditions — difficulties whose first victim will be the working class.

b) If we take it that the national economies have been transcended, then the first thing to be done is to place the problems on the widest possible basis. Efforts should also be made to solve these problems in the United Nations Organiza-

tion. Experience has taught us to be utterly sceptical in regard to what can be done today on a world scale. The capitulation of the United Nations in the face of the brutal suppression of the rising in Hungary by the Soviet Army has dealt a heavy blow to the prestige of that organization, so that henceforth nobody in France will pay the slightest attention to opinions expressed on its tribune, nor to resolutions voted by it, no matter what they may be.

The specialized agencies of the United Nations have proved quite ineffective. The International Monetary Fund has had no influence whatever on relations between national currencies. Nor has the International Bank for Reconstruction and Development, though somewhat more efficacious, succeeded in creating a steady course of investment in the under-developed countries, compared to that carried out in the nineteenth century on the initiative of Great Britain. It should not be forgotten that during seventy-five years of the nineteenth century, Great Britain invested in the then undeveloped countries 7.5 per cent to develop activity in any sphere, the stage of compromise between national interests must be surpassed. It is necessary to be conscious of the common interest, and United States on America, taking into account private enterprise, military aid, the Marshall Plan and other forms of assistance, has never surpassed 2.5 per cent of its national income. Even GATT, after rendering some services and providing for certain reductions and consolidations in the customs tariffs, quickly exhausted its possibilities.

It is impossible to pursue a policy of world liberalization of commercial exchanges until the problems of stabilization of prices of the basic raw materials, and of state investments in the under-developed countries, have been solved. Actually, every international action has been doomed to failure because it was confined to economic cooperation between sovereign states. All international conferences were attended by delegates who had instructions from their Governments. The debate might lead them to change their opinions but never their orientation in voting. In order to create an organism of limited competence but with actual power within the framework of that competence, in order that it may make the necessary decisions. From experience gained in the course of my ten-year's work in GATT, where I always headed the French delegation, I learned to be sceptical of all forms of economic cooperation, and I was convinced that it was indispensable to set up a supra-national authority.

If problems can no longer be solved on a national scale, and if it is impossible to place them on a world scale because of the non-existence of a supra-national government, the organization of the necessary

bodies on a regional basis should be considered, so that effective institutions could finally be created between countries which are united by common interests.

This is the purpose of Agreement on the European Economic Community, which takes effect on January 1st, 1958. The gradual creation of the tariff union envisaged by this agreement seems to me of secondary importance. The essential features are a common agricultural policy, which will include agreements on purchases, minimum prices, and the organization of markets; the gradual coordination of the social welfare policy, coordination of the investment policy through the Investment Bank, which will also finance public works in the interests of all and take part in the raising of backward areas in each member-country.

This mutual aid will finally inevitably lead to the creation of a foreign exchange pool and to the gradual coordination of the monetary policy of member-countries.

In order to realize these aims, common institutions have been set up. It is regrettable that the Economic Commission has only limited powers, more limited than those given to the High Authority of the European Coal and Steel Community. But the very fact that it lays down that nobody may decide alone on any question — constitutes a signal success. This in fact, means a certain actual transference of sovereignty. Let us hope then that the principle of unanimity in the Council of Ministers — the notorious right of veto — will be gradually abandoned. Let us hope also that the Assembly, which is intended to supervise the work of new institutions, will soon be elected at the general elections and thus become a genuine expression of the will of the European people.

d) The Agreement on European Economic Community also contains clauses which concern the joining of overseas territories to the established system. The problem of this incorporation should be viewed from two angles:

In the export of African products to Europe a real tariff union will be created, as these products will appear on the European market free of duty. But the case is not the same when European exports to African countries are involved as these, being non-European countries will, with a view to ensuring their economic development, retain the right to establish protection tariffs if necessary — tariffs which would not be discriminating relation to the six European member-states. This gives rise to Euro-Asian problems whose basic elements would be as follows:

1. All African countries are evolving — and this inevitably — towards considerable political autonomy;

2. This autonomy will not embrace minor units which are incapable of independent life. The basis of this autonomy will be federal in form so that we shall

soon find ourselves confronted with two big groups: the Maghreb Federation which would consist of Algeria, Tunisia, Morocco and certainly Libya; and the Black Africa Federation.

3. These federations will not be able to exist alone. Algeria is regularly sending 300,000 workers to France, more the number employed by industry on the Algerian territory. This figure will certainly be increased so there will soon be as many Algerians in France as there are Frenchmen in Algeria. This means that political autonomy cannot be understood as complete sovereignty. No matter what solution we adopt: political autonomy in federal frames or independence through inter-dependence, it is necessary to see that those interested have the right to sovereign decision about their local matters, but also take part in plans of economic and social development which bring them substantial aid from outside.

4. This aid is actually beyond the capacity of any metropolis, no matter what one is involved. A few years ago the United Nations experts, making a study of the problem of under-developed countries, came to the conclusion that the industrially developed countries of the whole world would have to appropriate 5 per cent of their national income every year for investment in undeveloped areas. France was the only country in the world which accepted this proposition. Since the liberation she has spent 5 per cent of her national income on non-army investments in her African territories.

Experience shows that this is still inadequate. The economic rise of these areas will call for greater sacrifices, and other European countries too will have to play an increasing role in the development of these territories. This means that we are heading for the creation of Euro-Africa, in which the African federations would figure in Euro-African Federation as equal partners with the other six countries.

e) During the drawing up of the Agreement, some people critically described Europe as "Little Europe". But it must be said that this "Little Europe", even without incorporation of the African territories, is a rather more populated than the United States of America and richer than the Soviet Union in potential industrial sources. Twenty-eight percent of international trade pertains to it — that is, much more than to the British Commonwealth and to the United States of America.

We are prepared, at any time, to widen the boundaries of "Little Europe" to include all those who would like to participate in it. But on condition that it remains a community which pursues the common policy by means of common institutions, so it may not again fall to the level of a sterile economic cooperation whose ineffectiveness we have already witnessed. This "Little Europe" is today

joined to the United States of America in the framework of the North Atlantic Pact, owing to the international conditions under which it came into being. But the fact that it is economically united and is to be united politically in the future will ensure for it, within the framework of the Atlantic Community, an ever greater autonomy and an increasing role in taking decisions. Were Eastern Europe, too, capable of uniting within the framework of the Warsaw Pact, it would acquire ever greater autonomy in relation to the Soviet Union, which would lead towards ever

closer relations between these two communities. Perhaps one day they will succeed in uniting, after abandoning both the North Atlantic and Warsaw Pacts, so that the whole of Europe, united, might present an economic, political and military force capable of safeguarding itself.

I believe that under these conditions the creation of the Europe of Six, as the first experience of the regional method of solving general problems, is today the most adequate expression of our ideal of internationalism, visible and creative.

## COMMENT OF THE EDITORIAL BOARD

AT THE end of the inquiry into European integration in which Paul Van Zeeland the Belgian representative in the European Coal and Steel Community, Leon Makas the former Greek Minister, Francois Perroux the Director of the Institute of Applied Economics in Paris, Jan Tinbergen Professor at the High Economic School in the Hague, Fritz Bade the Director of the Institute for World Economics

of the Kiel University, Vlajko Begović the Director of the Institute of Social Science in Belgrade and André Philippe the well known French political worker and economist took part, the editors of the "Review of International Affairs" take this opportunity to thank the eminent authors who by stating their views on the subject contributed to the successful implementation of this useful and interesting

exchange of opinions on one of the most significant aspects of the European political and economic reality.<sup>1)</sup>

By its ideas and substance integration is a legitimate phenomenon of contemporary development. The antipode of autarchy and the erection of barriers in all fields of human activity, integration is a gradual and positive process of the rapprochement of peoples while paving the way to the unification of the world into an indivisible and single entity. Therefore the interest of international public opinion for various aspects and forms of integration is entirely understandable, which objectively, by the very force of its development and subjectively, by the initiative and effect of given political factors is becoming to an ever greater extent an indivisible part of the life of the international community.

However the present world is beset by various antagonisms and many po-

<sup>1)</sup> Contributions to this inquiry were published in the following issues: of the Review of International Affairs 176—177, 178, 179, 182 and 185.

## PERSONALITIES AND POLITICS

### NEW GOVERNOR ON THE CYPRUS STAGE

A CHANGE of personality does not often mean a change of policy; that is why the departure of General Harding and the arrival of Sir Hugh Foot should not be taken *a priori* as a turning-point in British policy towards this island, which has long been a serious problem not only for the Foreign Office but also for Westminster. But two things became quite clear at the time of this "voluntary-compulsory" reshuffle of personalities: first, that General Harding with his military strong-arm policy burnt his fingers and, second, that a solution of the Cyprus problem will never be achieved by the old colonial methods.

British diplomacy, with its almost forgotten resourcefulness, decided in favour of Sir Hugh Foot as a person whose appointment might pave the way to some kind of appeasement in Cyprus and ultimately lead to a solution which would be satisfactory to both sides. Firstly, Sir Hugh Foot came to Cyprus as a man who had carried out several constructive tasks in Malaya and Jamaica; secondly, Sir Hugh Foot being the brother of Michael Foot, editor of the "Tribune" and a (bigger Bevanite than Bevan himself) and Dingle Foot (former Liberal, who was returned to the House of Commons on the Labour list) the other side was intended to feel more affinity with him than with any other emissary of the Conservative Government; and, thirdly, Sir Hugh Foot is considered a very capable and skilful diplomat and politician, fit to take over the awkward heritage of General Harding.

The four-point plan for the solution of the Cy-

priot problem, named after Sir Hugh, shows that he has set about this task with great assiduity. In accordance with this plan the new Governor declares himself in favour of the following measures: in the course of the next ten years Cyprus should be given much wider autonomy, while the maintenance of internal security on the island is to be extended to include Cypriots; after ten years the Cypriots should be able to exercise the right of self-determination and declare themselves in favour of either Greece or Turkey, which might lead to a division of the island, if the two ethnical groups should desire it; Archbishop Makarios would also take part in the negotiations on the fate of Cyprus as the rightful representative of the Greek community; Great Britain would ask Makarios before the negotiations started to condemn the use of violence on the island. It is believed that the British Government has adopted this plan, and that Parliament is to decide in the forthcoming discussions whether or not the British shall insist on the last point.

Every effort to negotiate on the Cypriot problem is welcome. From this viewpoint, the efforts of Sir Hugh Foot should be welcomed, as well as the possible greater elasticity of British policy towards the Cypriots. But Sir Hugh Foot's mission would have much greater prospects of success if it were not so burdened with the setting up of preliminary conditions, and if the rights of the Cypriots were considered more carefully than they have been in the past.

itical and social forms which lag far behind the objective development. The sum of these contradictions and latent conflicts and crisis lies in the existence of the blocs which petrify the division of the world and check the currents of integration, causing the distortion of integration in certain cases into essential disintegration.

These two characteristics constitute the two fundamental premises which condition the realistic approach to the subject of integration, all the more so if those subjective solutions are in question which are being implemented within the framework and on the basis of bloc division as is predominantly the case today with the integration mechanisms in Western and Eastern Europe.

The conclusion is clear: there is a collision between the objective justifi-

cation of integration and the subjective channelling of integration in given bloc disputes. It is directly or indirectly expressed in the contributions of the distinguished personalities which took part in the inquiry conducted by our editors, irrespective of the theses they advocated and the solutions they endorsed. If there is a point in which different conceptions on the ways and framework of European unification, this point would lie in the dilemma: how to coordinate the complex processes of integration with the general aspiration to an Europe devoid of division and barriers? According to their views, the participants in the inquiry stated the fundamental dangers which should be avoided or eliminated and the basic imperatives which should be observed in order to accomplish the most expedient solutions both in theory and practice. Thus the vital objec-

tive set by the editors of this review in organizing this inquiry was attained: a confrontation of views took place which indicated the castness and complexity of problems which are not only objectively immanent but also subjectively imposed upon the process of integration.

The editors regret that they have so far not received answers to the questions submitted within the framework of the inquiry also to the prominent personalities in Eastern Europe whose views would have doubtless represented an interesting and useful contribution in this exchange of ideas. Although the inquiry will be formally concluded by the publication of the contribution by Mr André Philippe in this issue, the editors are ready to publish every view on the significant and always topical subject of European integration in the future.

## VIEWS AND OPINIONS

### THE RAPATZKY PLAN

L. ERVEN

NAMED internationally "The Rapatzky Plan" is the proposal which the Polish Minister of Foreign Affairs, acting on behalf of the Polish Government, brought out in the United Nations during the discussion on disarmament, and subsequently in the foreign press as well, toward an easing of the tense West-East antagonisms in connection with the problems of Germany, European security and disarmament. This proposal deals with only one, yet unquestioningly the most urgent, cause of this tension: the planned arming of Germany with atomic weapons. The Rapatzky Plan proposes an agreement whereby Western and Eastern Germany would not be armed with atomic weapons, nor would bases be built on their territories for deployment of atomic forces and the launching of atomic and other missiles and rockets. If such an agreement were reached, Poland and Czechoslovakia would also join it. In this way a non-atomic base would be formed in Central Europe, minimizing the danger from nuclear armament in some measure.

This proposal had been advanced as long ago as last October, at the time when the NATO meeting was being prepared at which the problem of atomic armament of the NATO countries was to have been discussed, and when other initiatives, too, had appeared from the Eastern and the Western side to seek out bases for negotiations toward elimination of the war dangers. Among these initiatives, special attention had been aroused by the letters of the Soviet Premier Bulgarian addressed to the chiefs of the Western governments and the lecture delivered by the former U. S.

Ambassador in Moscow, George Kennan. Simultaneously this was the period when international atmosphere had become dangerously tense due to the interruption of the disarmament talks and the revival of the nuclear-armaments race. All these circumstances had caused the Polish proposal to arouse the wide interest of the international public, which has only grown since then. Today this proposal constitutes one of the most topical themes in international discussions, notably in the opposition circles of Western Germany and Great Britain.

The Rapatzky Plan is distinguished by realism, as characterized by these two qualities which are inherent in it. First of all, from the complex of the multifarious causes of international tensions, it has isolated the cause which is most contributive to a heightening of tensions today, to mutual fear and mistrust between the great powers, and which, therefore, represents the greatest and the direct danger today. It is the arming of the bloc military forces with atomic weapons. Within the framework of the problems which are rendered more acute by such an atomic policy, the Rapatzky Plan takes account of that domain in which such a policy given rise to the most direct danger, due both to its strategic significance and its combining with a series of contradictions within which the relations and interests of the powers concerned are clashing in that area. Such a domain no doubt is represented by Germany, both its parts included. On the other hand, the Plan confines itself to those measures which are possible of realization within the complex of the today's international situation, without jeopardizing their success due to involvement of other difficulties and compli-

cations arising from the division of Germany and the inclusion of her parts into the military systems of antagonistic blocs. The Plan, therefore, confines itself to discontinuance of atomic armaments in that area, which would be expanded by adding the territories of Poland and Czechoslovakia, as the initial stage in building the conditions for a wider and more general agreement. The realism of the Rapatzky Plan is further underlined by the fact that both its direct and more ultimate aims accord with the mood, which is growing stronger on all sides, to find a way for eliminating the peril of nuclear war, stopping the nuclear-armaments race and solving the German question by agreement, and by that token the problem of European security, too.

The German problem, thanks to the method by which its settlement has been approached thus far, and to the tenacious insistence to impose one-sided solutions upon it from positions of strength, harbours a two-fold danger for international peace and security. One danger springs from the very division of Germany between the two blocs, which constitutes the basic obstacle to consolidation of peace and the normalizing of the international situation in this, the central region of the Continent of Europe, and which as such already is affecting adversely the relations between the two blocs. But if the problem of German unification, viewed as such, is — so to speak, incompletely — an isolated problem of the German people, the problem of a divided Germany cannot be viewed in isolated fashion, but within the complex of the West-East contradictions and the interbloc relations. Thus viewed, it assumes the significance of a problem of world peace. The strategic importance of the German territory enjoins, as a logical consequence, that bases of military security be created and the perfecting of the blocs' military systems be pursued on it. In the development of the blocs' military forces these territories have assumed the importance of key positions in the blocs' operational plans. The peril inherent in this fact by itself would be made still worse if the divided Germany were to become an arsenal of new nuclear weapons, thereby bringing the atomic forces of the two blocs into direct contact. — The Rapatzky Plan has as one of its direct aims to prevent the appearance of this fresh danger in that the territory of Central Europe, in which the contradictions of the Western and the Eastern bloc clash directly, would be protected from atomic armament and neutralized where this is concerned. For the champions, strategists and tacticians of atomic war, the area of Central Europe would, under such conditions, become less interesting, so that the political solutions of the problems existing there, too, probably would be rendered easier and more accessible.

The Rapatzky has points of contact with certain proposals which the Soviet Government made last autumn in Premier Bulganin's letters to the chiefs of governments of the NATO members. In these letters there had been covered nearly the whole complex of Western-Eastern clashes on the open international problems, but the question of Western Germany's atomic armament was particularly highlighted in them as a factor behind the more acute international situation. In his second series of letters, Bulganin expressly invokes the Rapatzky Plan as one of the items on the agenda of the negotiations being suggested in these letters. From this it follows that the Soviet Government is in agreement with this Plan in its basic idea.

However, the Rapatzky Plan also has points of contact with the opinions being formed on the Western side, too. This is primarily true of the ideas which the ex-U. S. Ambassador in Moscow, George Kennan, had brought out in his — in the Western press much noted — lectures on current international problems over the B. B. C. and in which, *inter alia*, he pleaded a military neutralization of Germany and her exclusion from the military systems of the existing blocs. As the basic course of the difficulties in West-East relations, Kennan had cited the existence of the German problem, and

as the basic difficulty in solving the German problem he has indicated the insistence of the Western powers that a unified Germany should be free to close as regards her subsequent foreign policy and accession to the existing power blocs. To Kennan, too, as for the rest of the world it is clear that through such a thesis the Western bloc expects that a unified Germany would embrace in that respect the today's political and military alliances of Western Germany. In every realistic assessment, though, this is a perspective which the Soviet Union should not be expected to accept. Hence Kennan's conclusion that all foreign troops should be evacuated from the territory of Western Germany and that the last should be excluded from the present antagonistic military blocs — toward elimination of the main apple of discord between the North Atlantic Treaty Organization and the Warsaw Pact.

George Kennan's idea about the military neutralization of Germany in relation to the existing bloc military system actually is but a variant of an earlier plan, the one Anthony Eden already, at the time of the Geneva Conference, had advanced toward the creation of a neutral buffer-zone in Central Europe. The U. S. Ambassador's advantage is that he has revived this idea — even if in form of a different variant and with a different justification — under more favourable international circumstances, at a juncture, that is, when in the Western Circles, too, signs are appearing of disillusionment as regards the policy from positions of strength, upon which the Western bloc's thesis on German unification has been based.

However, the Rapatzky Plan is more realistic because it is less ambitious than Kennan's ideas. It merely confines itself to one sector of the problem of Germany and Central Europe, the sector relating to atomic armament, and wherein the measures proposed can be implemented under the present conditions already in the mutual relations and the mutual positions of both blocs on German territory. As a result, the Rapatzky Plan indubitably possesses a more direct practical value.

Thus viewed, the Rapatzky Plan constitutes a useful contribution to the efforts being made from other sides, too, in the East and West for eliminating the causes of international tensions, and, as such, it is to be welcomed, to, as the Yugoslav Government has done in a recent statement by the State Secretary for Foreign Affairs, Koča Popović. However, the Plan has met with a mixed reception in Western circles. Official reaction has been mostly adverse, or highly reserved, not only in U. S. A., whose Atlantic policy plan is opposed to the ideas of the Rapatzky Plan, but in some European states which otherwise incline toward certain revisions of that policy. The attitude of those governments probably is influenced by two facts. First of all, the fear that the NATO military system, following a ban of atomic armament in Western Germany, would not afford an efficacious enough protection to their own security, so that they themselves would have to assume an intensified risk of atomic installations on their territories. But, still more perhaps, there also is the fear lest deatomization of Western Germany might lead to a withdrawal of American troops not only from Western Germany, but from the rest of Western Europe, too. The statement made by Dulles at his press conference the other day probably is designed to fortify the bases of this fear and thus render difficult an acceptance of Rapatzky's ideas on the part of European governments. Dealing with the Rapatzky Plan and the creation of an atomless zone in Central Europe, he said that, if this were realized, "it would be imprudent to keep any armed forces there, considering the fact that they would find themselves in a highly vulnerable position". Couched though it is, this statement nevertheless possesses the character of a certain pressure upon the governments and the public opinion in Western Europe wherein tendencies toward a reorientation of Western policy on the German problem are gathering increasing momentum.

# A REMARKABLE ACHIEVEMENT

— A STRIDE IN THE REALIZATION OF ECONOMIC AID TO UNDEVELOPED COUNTRIES  
THROUGH THE UNITED NATIONS —

Janez STANOVNIK

President of the Committee on UN Technical Assistance

A RESOLUTION making for a considerable expansion of the United Nations Organization's activity in assisting undeveloped countries was unanimously adopted at the Twelfth Session of the UN General Assembly. This step came in the wake of several years' efforts and preparatory work toward the establishment of a Special United Nations Fund of Economic Development.

Last summer the Economic and Social Council, the main auxiliary organ of the General Assembly in the economic and social domain, adopted by a huge majority — by 15 votes against only 3 — a Resolution urging that it be proceeded immediately to the establishment of this fund. By this unanimous and resolute demand, a huge majority of the delegations in the UN which had been pledged to the realization of this idea for years past, had brought its few opponents into an awkward position.

The main opposition to the realization of this idea came over the last years from the U.S.A. When the proposal for setting up the fund appeared before the General Assembly in a more concrete form seven years ago, the basic argument of the opponents, from the ranks of the wealthy industrial countries, was that the proposal was unrealistic. When, however, more and more industrial countries began to appreciate its realistic nature — first Holland, then the North European countries and France — the opponents of the proposal switched then to the assertion that, in the present-day conditions, no adequate financial resources were available for the realization of such an idea. This argumentation was countered by undeveloped countries with the affirmation that world peace certainly will not be rendered less secure by devoting one part of the available resources to economic development rather than armament. In an effort to neutralize the demand of undeveloped countries for realizing the Special Fund, the U.S. delegation to the Eighth Session of the General Assembly moved a solemn declaration promising establishment of the fund at the moment when an international disarmament agreement is reached. When, however, over the last years, the main effort of world policy started to shift toward the economic field, and when the conceptions of a „competitive co-existence” increasingly began to assert themselves, then the U.S. Government, too, accepted the idea of establishment of a bilateral credit fund (U.S. Development Loan Fund). With this, even the last argument about a lack of capital in the present-day conditions had been refuted.

However, the real reasons of opposition to the establishment of such a fund evidently were other than those formal ones which the opponents of the fund were advancing. First, many developed countries entertained great reservations toward the operative efficiency of

the United Nations Organization. Inherent in these reservations was a mistrust toward international co-operation in the economic field at large. Second, it was considered that international aid ought to bring at least indirect, if not direct, political dividends. There were many of those who thought that a country which was a recipient of the aid ought to know who assisted it and, consequently, owe a moral debt of gratitude to him. This reservation, too, actually narrows down to a lack of confidence toward the United Nations: for, the creation of a moral debt to UN unquestioningly is more contributive to world peace than the creation of a moral debt to the individual countries or blocs of countries. Third, it was considered that an action of financing economic development through the United Nations Organization would shake the faith in private capital and private enterprise in the world. It was claimed that such an action would make it possible for undeveloped countries to obtain the necessary credit on more advantageous terms, which would minimize the possibilities for placing private capital abroad. But a more penetrating analysis even of this last reservation will reveal in it elements of opposition to the idea of sovereign and equal co-operation in the economic sphere such as the United Nations Charter provides for. With the passage of years, the individual arguments of the opponents were being refuted, too, and the fundamental alternative increasingly narrowed down to the question: for or against the United Nations Organization.

The unwavering unity of undeveloped countries and the objective development itself of the international situation, though, have proved weightier than the reservations of the opposition.

Confronted with the reluctance of the wealthiest industrial countries to participate financially in the Special UN Fund, the representatives of undeveloped countries decided on the formation of a fund from the resources available. In this, though, it was clearly seen that the available financial resources will not suffice for financing major projects of the social -economic infrastructure — irrigation projects, harbour construction, the building of schools and highways, the integration of the power system, etc. — and that the orientation should be toward less ambitious undertakings. The proponents of the resolution which the Economic and Social Council adopted last summer had conceived of the launching of „the little SUNFED” as a preparation of the ground and projects toward the realization of bigger ideas once the opposition of the more developed countries had been overcome by the trend of events in the years to come.

Faced with the persevering insistence of undeveloped countries and other opponents of the Fund started to seek a way out of their own political isolation. However, the doctrinaire reservations toward SUNFED had not

yet been transcended, nor the apprehension from competition to private capital. In such a situation, it was attempted to find a solution by expanding economic assistance. The U.S.A. delegation suggested that the technical assistance activity be enlarged through the establishment of technological institutes and centers for advancement of productivity of labour, through the promotion of agricultural and industrial research, the study of soil conservation and water resources, geologic exploration, etc. With this, though, the American delegation had arrived in practice — true, from another angle — at the same concrete proposals the proponents of SUNFED themselves had arrived at in the situation of the very scarce available resources.

With this the possibility had been created for bringing the two opposing attitudes together. The view had been adopted and realized that United Nations assistance cannot be kept within the former framework. Economic analysis, however, will demonstrate that it is entirely arbitrary to differentiate between a „technical“ and a „financial“ or „economic“ international assistance. The process of economic expansion, or investment, is a highly complex process which can be restricted neither to a technical-promoting nor a financial-economic operation exclusively. The one is indissolubly connected with the other. For building a hydro-electric plant, for example, not only geological findings are required which „technical assistance“ can produce, nor even bulldozers alone which „financial assistance“ would finance, but a whole series of materials and services are needed that have to be financed equally. As a result, it is more apt to say that the investment process has its technical and its financial aspects, not that it is composed of two discrete operations.

The tendency to absolutize technical assistance had been based just on those doctrinarian reasons which have been referred to in the beginning of this article. Actually, what was involved was not that this assistance was „technical“ as distinct from „financial“, but that it was confined to a domain in which private capital did not feel imperilled and in which, moreover, it regarded such a kind of activity desirable — the domain, namely, of the promotion of schooling, the skilled training of workers, the development of public administration, technological advancement, etc.

Just from this point of view, the headway recorded is highly significant. Albeit still under the sign of „technical assistance“, international action is being extended to the domain of the direct preinvestment stage of economic development, frequently delving deeply into the investment process proper, too. In this the representatives of undeveloped countries are not overlooking that the doctrinarian reservations against the full development of international assistance through the United Nations Organization still survive in industrial countries. But extension of past action to new domains will only corroborate the thesis the representatives of undeveloped countries had advanced for years before international forums: that private capital today cannot perform the same role in undeveloped countries it once performed in Western countries. The reason for this lies not in a collectivist doctrine on the part of undeveloped countries, but in the nature of the national and world process in which development of undeveloped countries is proceeding.

Although, by decision of the General Assembly of December 13, 1957, the Special Fund is kept within bounds of UN activity in the field of „technical assistance and development“, it is crystal-clear already today that it will have to develop in the nearest future an activity such as the creators of the SUNFED idea had conceived. The very Resolution of the General Assembly opens the door to such a development through the proviso that the General Assembly shall examine the problem of expanding the sphere of the Fund's operation as soon as larger financial resources are available.

With the General Assembly's decision a new chapter has been written in the history of the long-standing efforts of undeveloped countries to adapt their economic development to the principles of the United Nations Charter. This decision constitutes a remarkable success of undeveloped countries and their striving for economic development. Simultaneously it marks only the beginning of breaking the barrier of the hitherto opposition. It depends on the perseverance in defence of the principles backed by the undeveloped countries in the United Nations Organization as to when and how, through the practical functioning of this Special Fund, their idea will be realized integrally.

## LETTER FROM ABROAD

### WORKERS PARTICIPATION IN INDUSTRY IN VARIOUS COUNTRIES OF THE WORLD

Bob EDWARDS  
British Member of Parliament

ONE OF THE most vital problems facing the workers of the world is the problem of industrial democracy or workers' participation in industry. All countries today, irrespective of the political character of their govern-

ments, are being increasingly compelled to accept the principle of collective ownership of many vital industries and public services. Private enterprise as it was known between the two world wars is being increasingly dis-

pensed with because of the great structural changes which have taken and are taking place in the economies of all the countries of the world. In Britain, for example, the economy is divided between (a) publicly owned industries and services, (b) co-operative distribution production and agriculture, and (c) the privately owned sectors of industry and commerce. Approximately 20% of the British economy is publicly or co-operatively owned, leaving 80% still in the hands of private enterprise, but even the privately owned sector is subject to considerable go-

(to be continued on page 23)

# GET ACQUAINTED WITH YUGOSLAV INDUSTRY AND FOREIGN TRADE



## „Z M A J“ AGRICULTURAL MACHINE INDUSTRY ZEMUN

IT IS AN undoubted fact that without a developed agricultural machine industry there can be no developed agriculture, but it is equally true that without progressive agriculture there can be no strong industry of agricultural machines. Viewing matters from this standpoint it might be said quite rightly that in the last few decades the agricultural machine industry in Yugoslavia shared the fate of agriculture, and that the development of the one coincided in many respects with that of the other.

When we say that the industry of agricultural machines in Yugoslavia is of recent date, we must remember the basic characteristics of economic development in our country between the two wars. Industrially under-developed, Yugoslavia was

preponderately an agrarian country whose agriculture was on a very low level. This meant two things: first, that the development of agricultural production was stagnating because no industry existed to supply the necessary means for its mechanization and second, that industry of agricultural machines had no opportunity for development, because backward agriculture did not offer a suitable market for the products of an agricultural machine industry.

This vicious circle, in which both factors operated equally, was broken for the first time during the development of Yugoslav economy after the last war.

The building of the socialist system in Yugoslavia necessarily called for such economic development as would bring the



TIP TRAILER PK 7



HARVESTER 1070 WITH THE ELEVATOR



backward agrarian country into line with developed and industrial countries. Hence it was quite natural that all the plans for economic development had, as their point of departure, the building of a strong industry. Great attention was devoted to the industry of agricultural machines in these plans, as it was considered, quite correctly, that stimulation and intensification of agricultural production could not be achieved without modern technical means. With this object in view large sums were invested, so that today Yugoslavia possesses a solid industry of agricultural machines, which is in a position to meet the increasing demands and requirements of her agriculture. The past year was a turning-point as regards increase of productivity in agriculture, and this was in a great measure due to increasing mechanization in all phases of agricultural activity.

It is in this context that one should view the foundation and development of one of the biggest agricultural machine factories in Yugoslavia — the Zmaj Agricultural Machine Industry at Zemun.

Established after the war, the ZMAJ factory developed in a single decade into a large industrial enterprise, whose products enjoy a great reputation in the country and meet with increasing demands abroad. Its production programme gave more and more attention to bigger and more complicated farming machines, rather than agricultural tools and implements, all the more so as the equipment and plant of the factory gradually became competent to undertake the construction of even the most complex and up-to-date agricultural machines. Today ZMAJ is unrivalled in Yugoslavia in the manufacture of such machines, which is its basic activity. But "the golden age" of the ZMAJ Factory will start only in the next

few years when it will be working at full capacity: by 1962 two billion dinars will have been invested, so that the gross product of the enterprise will be increased 4 to 5 times.

A few data on ZMAJ production last year will provide an eloquent proof of the factory's successful activities. The planned gross production amounted to 6,128 tons the figure realized was 7,287 tons; financial indicators show the same relationship: planned value of production was 4,037 million dinars — the realized was 4,744 million; volume of production was realized by 120 per cent, while according to value indicators it was 117,5 per cent. These figures provide the best estimation of the quality and solidity of the agricultural machines bearing the "ZMAJ" trade mark.

#### THE "ZMAJ" PRODUCTION PROGRAMME

THE ZMAJ agricultural machine industry, Zemun, produces various types of specialized machines for harvesting, sorting, local transportation, motor trailers, mills, all types of rims etc.

##### First Group: harvesting machines

Two combines built under the British "Massey-Harris" licence enjoy a particularly good reputation among customers: these are, the automatic combine ZMAJ 780 and the automatic combine ZMAJ 630. The pride of the enterprise is the JV Harvester 1070, which takes its place among the best machines of the same type in the world, the JV 1385 harvester, the JV 660 harvester, and the JV 5500 harvester.

##### Second Group: sorting machines

The ZMAJ selectors and sorting machines, indispensable in modern agriculture, have proved excellent in practice. They include the ZMAJ 1954 selector as well

various types of winnowing machines and potato sorters.

#### Third Group: machines for internal transport

Farmers and technical experts are well acquainted with the 1200 mm Elevator for raising straw, feed etc., as well as elevators for pressed feed and hay, and for small feed.

#### Fourth Group: trailers

The factory makes seven types of trailer with a capacity of 2 to 5 tons, for tractor and for animal traction. Some trailers are fitted for automatic unloading. We should mention trailer PK-5, the tractor tip-trailer PK-6 as well as the tractor tip-trailer PK-7, which are very suitable for quick and easy transport.

### WIDE ASSORTMENT OF HIGH QUALITY PRODUCTS

THE FOLLOWING are the ZMAJ products, with descriptions of their technical and working characteristics:

#### Self-propelled Combine ZMAJ 630

This combine can deal with 100 different crops. It has three different widths of scythe range, with a sorting cylinder for filling sacks or bunker, capacity about 1,200 kgs, with a Perkins diesel engine. It has a header with a small-like device for throwing in the mown mass, a universal winch with hydraulic raising of the header. A rail-type drum, 5600 mm in diameter, 815 mm wide and 8 rails. An open sub-drum — 12 rails. Cleaning:

straw-thresher in four sections, two sieves and ventilator which can be regulated. Sieves: upper „Petersen”, adjustable, lower changeable, so that it is adaptable to each crop. Special devices which can be ordered: Pick-up for combining mown mass, straw-scatterer, sieve for special crops and special chain-gear for changing the speed of the drum. „Rausendorf” press for straw. Technical data: type A range 258 cm, width in operation 3.6 met; type B 304 cm., width in operation 4.8 m.; type C covers 365 cm., width in operation 3.9 m.

#### Self-propelled combine ZMAJ 630

Intended primarily for small and medium-sized holdings. This is an ideal type for cooperative cultivation of land. As a driving machine, the combine has a built-in volkswagen motor. This combine is characteristic for its simple design. The following are particularly worthy of note: low structure, low position of weight and suitable distribution of weight. Drum 660 mm., diameter 450 mm., 6 rails and sub-drum rails. Straw-thresher in three sections. Fuel consumption 4—4.5 litres per hour. Weight about 1,375 kgrs, press about 1,530 kgrs. Special equipment: press for straw, lighting, and cylindric sieve for sorting. Range 1.8 m.

#### Thresher JV 1070

Construction: first-class steel. Serves for harvesting all kinds of grains, with minor additions can also be used for large-leguminous crops. With auxiliary devices har-



„ZMAJ” COMBINE 780



vests rice, clover and lucerne. Drum 1070 mm long, diameter 570 mm., 8 rails, 1070 revolutions per min. Capacity 1800—2000 kgs per hour. Driving power 20 HP. The thresher is equipped with a safety device to prevent mishaps during operations.

#### *Thresher JV 1385*

Suited for flat areas and large farms. Harvests grains, peas, beans, oil-seed etc. It possesses mechanism for automatic removal of chaff by means of an exhaust. Drum is 1385 mm. in length, 625 mm. diameter, 8 rails, 1000 revolutions per minute. Capacity 4000 kgs per hour. 30 HP. Provided with safety device.

#### *Thresher JV 660*

Medium capacity, with all the elements of a standard thresher: drum, sub-drum, two cleaners, elevator, punching handle for removing husks etc. Drum is 660 mm long, diameter 530 mm., 8 rails, 1150 revolutions per min. 9 to 12 HP. Capacity per hour: 500 to 700 kgs.

#### *Elevator 1200 mm.*

For raising straw, feed, hay, sheaves and bales up to 100 kilos. Can operate combined with thresher or as a machine with separate driving power. Transporter container is of metal with a wooden floor. The receiving bin is 1450 mm wide so that the elevator can be combined with a thresher of that weight as well as with a smaller one. The rest of the transporter is 1200 mm wide which ensures a large capacity for transportation of straw.

#### *Elevator for bulky feed and hay*

Hoists large quantities of maize cobs, bales of hay, sacks etc. into lofts, silos and granaries. The receiving of the elevator can be in two variants: the normal short container (2 m.) and long (4 m.) intended for receiving material from trailers. The discharging side of the elevator also has two variants: one with extending pla-

tes—or hoisting baled hay or sacks. The elevator is driven by an electro-motor of 3.3 HP with 1400 revolutions per min., or a one-cylinder, air-cooled petrol engine "Savica", of 5 HP with 3000 revolutions per min. The weight of the motor must not exceed 50 kgs. The elevator can have different lengths: 7.5 m., 10 m., 12.5 m. or 15 m. depending on the height of hoisting, which is 5.5; 7.2; 8.75; and 10.5 m.

#### *Elevator for Small Feed*

This machine is used for storing, leading and unleading grain, raising grain to lofts, granaries, silos etc. It is fitted on a very simple frame of light-pipe construction. It has an axis with rubber wheels measuring 6×12 inches. It can operate under angles from 30 to 60 degrees. Weight 650 kgs. With the container, the minimum length is 6.52 m., maximum 10.82 m. Minimum length with transporting spiral 9.59 m., maximal 13.89 m. Width with receiving caterpillar device 2.27 m. The height of hoisting, minimum 4.5 m., maximum 7.8 m. Capacity 10 to 12 tons per hour. The number of revolutions of axle for moving transport chain from 270 to 300 per minute. Driving power 3 to 5 HP the receiving part has a receptacle into which grains are poured from the trailer or lorry, and a caterpillar device for drawing grains from the heap or from the silo. Driving power is supplied by an electro-motor or petrol engine.

#### *Selector ZMAJ 1954*

Universal type for cleaning and sorting seeds of all kinds of grain, as well as seeds of small-grain or leguminous crops. Provided with spare winnowing cylinders and sieves for large, medium and small seeds. Weight 500 kgs, driving power 6 HP. Capacity per hour 600—800 kgs. Combined with seed-sprayer which can also operate as a separate machine.

#### *Potato Sorter*

Entirely made of steel and plate. Light and easily movable, placed on four wheels, reliable and enduring. Excellent for sorting potatoes.

## Large Hand-operated Winnowing Machine

Serves for cleaning seeds from all imperfect grains and chaff and sorts grain according to size. Frame construction is of steel, other parts of strong steel plate. Weight 200 kgs. Capacity per hour: 250 kgs., number of revolutions of the driving belt 50-60 per minute. 250 cm long, 67 cm wide and 150 cm high.

## Trailer for Harness Traction PK 2

Intended primarily for harness traction but can also be used as a tractor trailer. Equipped with hand-operated brake. Useful loading capacity 2 tons, maximum permitted speed 15 km. per hour. Length of platform 360 cm., width of platform 160 cm., own weight 530 kgs., rubber tyres 6.5×16 inches.

## Tractor Trailer PK 5

Suitable for use on various terrains owing to highly movable front part (360 degrees). Equipped with inertia-mechanical brake. Loading capacity 3 tons. Maximum speed 25 km. per hour. Length of platform 4 m., width 1.8 m., height of flanks 45 cm., weight 930 kgs., rubber tyres 7.5×16 inches.

## Tractor Tip Trailer PK 6

Equipped with tip device for unloading. Intended for transport of unpacked bulky agricultural and building material. Capacity 3 tons. Maximum speed 25 km per hour, length of platform 4 m., width 1.8, height of flank sides 45 cm. Weight 930 kgs., tyres 7.5×16 inches. Tip device pro-

vides for unloading from both sides. Maximum slope of platform 45 degrees.

## Tractor Tip Trailer KP 7

Intended for transportation of agricultural products and of packed and unpacked building material. Provided with tip device for automatic unloading. Capacity 5 tons. Maximum speed 25-30 km. per hour. Provided with inertia-mechanical brake. Length of platform 4.5 m. width 2 m., height of sides 45 cm. The platform is lined with plate, which ensures easy sliding of load in discharging by tip device. Weight 1100 kgs. Tyres 7.5×20".

## MILLS

In cooperation with the „Pobeda” agricultural machine factory, Novi Sad, the ZMAJ factory makes mills of all capacities as well as automatic mills of the „Superior” type. Production is on the basis of the „OCRIN” (Cremona) licence.

## Hammer Mill MC 34

Serves for breaking and grinding grain feed. Can be used for meal and grinding of other materials: various agricultural waste, paprika, grinding of lime and artificial fertilizers. Made of high quality steel and steel plate, this mill has 40 hammers which are fitted on four frames, on a light steel axle. The driving power is 15-18 HP. The number of revolutions of the driving axle is three thousand per min. Weight: 198 kgs. Capacity up to 1200 kgs. of free grain maize per hour on the sieve of 5 mm and up to 800 kgs per hour of cob maize on a Ø 9 mm sieve. With this mill the factory delivers

one sieve measuring 2, 3, 5, 11 mm. A thekalemit pump, machine key and two spare hammers.

## Hammer Mill MC 14

Intended for smaller farms. Serves for breaking and grinding various grain feed. Can be used for meal and grinding of other materials (various agricultural waste products, grinding of paprika etc.). The mill has 30 hammers in all. Driving power: 6-7 HP. The number of revolutions of the driving axle is 3,100 per min. It weighs 120 kgs., and has a capacity of about 500 kgs per hour. The size of grinding depends on the size of sieve meshes. The sieves are changed according to kind of material and requirements. As accessories, the factory delivers: sieves of 3, 5, 7, 16 mm, two spare hammers, a thekalemit pump, a thekalemit lubricator and a machine key.

## Mill for Lucerne ML 40

A combined cutter and hammer mill, the Lucerne Mill successfully mills and mixes bulky grain fodder. Capacity on the Ø 2 mm sieve 300 kgs per hour, grain maize on the Ø 5 mm sieve 1200 kgs per hour and cob maize on the Ø 9 mm sieve 800 kgs per hour. Along with the mill the factory delivers a sieve of 2, 3, 5, 9 and 11 mm., a thekalemit pump, two machine keys, two thekalemit lubricators and two hammers, two knives and two counter knives.

The products of the ZMAJ agricultural machine factory are meeting with increasing demand abroad and are exported to various European countries and to the Near East. The ZMAJ trade mark is a watchword for excellent quality and solidity.

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# „14 OKTOBAR“

## WRITES BUILDING AND MINING MACHINE FACTORY KRUŠEVAC

By *ing. Vojislav BJELIČIĆ*

AFTER World War I, Yugoslavia became a favourable area for the expansion of foreign capital. At that time there were founded several metal enterprises in different parts of the country dealing with the repair of railway carriages. Some Hungarian capitalists founded the company „Srpsko akcionarsko društvo“ at Kruševac in 1923, whose task was the organisation of work on the repair of railway carriages and locomotives. The company bought the old steam mill near the railway station, and set up the first workshops. The experts and highly trained personnel were Hungarians while the workers and other staff were people of Kruševac and its neighbourhood. The workshops gradually developed into a large and organised factory. But the slump of 1928 did not spare this enterprise, and factory was closed down and the workers dismissed. The next year the „Prometna Banika“ of Belgrade bought the factory, and a few years later it became the property of two Belgrade capitalists, Savčić and Stanković. In the pre-war period the fac-

tory greatly enlarged its activity and production assortment. After September 1st, 1939, the larger part of the factory was used for the production of weapons for the Yugoslav Army, and in this period it reached its maximum pre-war level. When World War II broke out the factory was employing 500 workers, and had long experience in the production of freight wagons, bridge constructions, lifts, railway-switches, sleeper screws and coaches.

During the German occupation the factory worked at reduced capacity, dealing mostly with the production of railway carriages and the repair of the Belgrade trams damaged during the bombardment of Belgrade on April 6th, 1941. At the end of 1943 the factory was set fire to by Rasin partisans and more than 50 per cent of the factory was destroyed, so that it did not work again until the liberation of Kruševac, on October 14th, 1944.

The restoration of the factory began immediately after the liberation of the country, and work was resumed on the production of new railway carriages, the



TRACTOR T 660 OF 60 HP READY FOR EXPORT

repair of old carriages and the overhauling of vehicles belonging to the Soviet Army, etc. In 1946 the enterprise reached pre-war capacity, and by decision of the Federal Plan Commission and the Ministry of Heavy Industry in 1947, the factory began to deal exclusively with the production of building and mining machines. The transfer to the manufacturing of these products caused an abrupt rise in the activity of the "14 Oktobar", so that at the end of 1948 it employed over 2000 workers. The first building machine manufactured in the factory was a concrete mixer of 450 liters. The production of various types of elevators and transporters was mastered in 1949, and the next year saw the completion of a series of machines for the digging of canals or rotary diggers. In 1953 the construction department of the factory designed a motor roller of 12 tons and the next year a licence was bought for the production of universal dredgers of 1 m<sup>3</sup>. The proto-type of a motor roller of 6 tons was also manufactured in 1955 according to designs made in the construction department of the factory and a licence was bought for three kinds of caterpillar tractor of 60, 100 and 180 HP. The licence for a dredger of 0,5 m<sup>3</sup> was bought in 1956, and the licence for a dredger of 2 m<sup>3</sup> in the next year.

The enterprise does not intend to enlarge its production assortment in the near future, but will confine itself to improvements and modifications of the existing types of machines.

The enterprise "14 Oktobar" has obtained a world reputation in the production of universal dredgers. The first dredgers manufactured in this factory were

these of the German firm "Nilsson und Korte" of Hamburg.

At the end of 1953 three Yugoslav engineers visited eight German factories engaged in the production of universal and because of its favourable financial terms and up-to-date construction, the enterprise chose the products of the firm, "Nilsson und Korte".

The universal dredger is a machine which is widely used in building, mining, water works, industry and transport. The capacity of this dredger is 1 m<sup>3</sup> of shovel volume and therefore it is officially called UB1. When it works as a crane dredger the maximum load capacity is 15 tons, provided that the mast is in the proper position. As the UB1 can perform an operation in half a minute intake of material, lifting of shovel, rotation of upper base, discharge of material and return of shovel), the capacity of this dredger is 120 m<sup>3</sup> per hour, provided that the frontal shovel is used. As this dredger can perform all operations simultaneously, ranking it among the most up to date dredgers in the world, a trained operator can surpass the capacity of 120 m<sup>3</sup> by 30—40 per cent.

According to the conditions of the contract on licence purchase the "14 Oktobar" was bound to buy from the German firm at its own choice, various parts to the value of 20 complete dredgers. The "14 Oktobar" managed to manufacture 50 complete dredgers from the parts bought from the German firm, which means in practice that the domestic material used in these dredgers was 60 per cent to 40 per cent of foreign material. In addition to these 50 dredgers the "14 Oktobar"



A SERIES OF MOTOR ROLLERS (12 TONS) FOR ROLLING THE ROADS

has manufactured so far another 70 dredgers of 100 per cent domestic material, except for the Mercedes motor of 100 HP, which is still imported from Germany. As the motor is only 8 per cent of the value of the complete dredger, the production of this machine is considered a great success of the Yugoslav machine industry.

At the end of 1956 the enterprise „14 Oktobar“ contracted for a licence with the Italian firm „Fiorentini“ of Rome for the manufacture of a dredger of 0.5 m<sup>3</sup>. This contract is now being put into execution, and the first series of dredgers manufactured up to the end of 1957 were composed of 40 per cent of parts manufactured of domestic material. Unlike the UB1 this new type of universal dredger, UB 05, has air controls, which enable easier handling. In addition, new type of dredger has a specific pressure on soil under 0.5 kg/cm<sup>2</sup>, enabling better performance in very damp areas.

The construction department of the factory has designed a new type of crane dredger on rails which will serve excellently for loading, unloading and reloading at railway stations and industrial enterprises. The maximum capacity of this crane dredger will be 5 tons in the most favourable position and 1.5 tons in the most unfavourable position of the mast.

In the construction department the design for a new dredger of 1 m<sup>3</sup> which, in technical conception, will rank among the most up-to-date dredgers of this type in Europe.

After long and arduous work the construction department of the enterprise succeeded in 1953 in making designs for a motor roller of 12 tons, and in 1955 for a motor roller of 1 tons. These motor rollers of 12 tons MV12 and of 6 tons MV6 are manufactured completely in the enterprise „14 Oktobar“, except for the Mercedes Diesel motors in both rollers, which are imported from Germany. Now the factory is working on the adaption of a domestic motor which is to be built

into both rollers. It is most probable that the motor of the firm „Torpedo“ from Rijeka will manufacture these.

The front and back wheels of both rollers can be filled with sand, so that their weight can be increased to 14, viz. 8 tons. The wheels are made of steel-manganese cast in the thickness of 50 mm. which gives them great durability and Resistance.

In the next few years the production of rollers will be enlarged with the addition of several types which are now in preparation.

Simultaneously with the production of such complex machines as rollers and dredgers, the factory „14 Oktobar“ is preparing for the production of caterpillar tractors and bulldozers for the needs of agriculture, mining and building construction. In 1954 the factory negotiated with the Italian firm „Vender“ for the purchase of a licence for caterpillar tractors of 180 and 100 HP. At the end of 1954 the factory obtained a licence from this firm, the enterprise „14 Oktobar“ being bound to buy, at its own chice, in the course of four years, all parts of these two types of tractors which it cannot manufacture in its workshops. Negotiations for the purchase of a licence for the third type of caterpillar tractor of 60 HP, which took place at the same time, were postponed for a year, as it was not determined whether this tractor would meet the needs of Yugoslav agriculture. It was agreed to examine during this period the aptness of this tractor for the conditions of Yugoslav agriculture. The testing of this tractor was begun in the Institute for agricultural mechanisation in October 1954 and was finished in January 1956. The tests showed satisfactory results and at the end of a thorough analysis this caterpillar tractor was recommended as suitable for heavier agriculture work. This choice was especially influenced by the fact that is the only tractor in the world which in only 4 hours, and without spe-



SHOVELL MIXER OF 250 LIT.

trial tools or experience, can be transformed from a caterpillar tractor into a tractor on wheels, so that it can be used all through the year, which is not the case with any other tractor. On the basis of the results obtained at this research Institute, the enterprise "14 Oktobar" recently concluded an additional contract with the firm "Vender" for the purchase of this licence. Immediately after the granting of the licence the "14 Oktobar" started extensive preparations for the production of these tractors. A four-year production plan was made and it is being strictly adhered to. In accordance with it the year 1955 was spent in the completion of the assemblage hall and the manufacturing of the plants and tools necessary for assemblage, as well as for the complete assemblage of a certain number of tractors.

In 1956 the factory started the production of some parts of tractors and bulldozers, and at end of the year it succeeded in manufacturing 40 per cent of parts of the tractor TG-100 and about 30 per cent of the tractor TG-180. The next year it was manufactured about 20 per cent of parts of the tractor TG-60 of the tractor TG-100 and TG-180. It is planned that the complete production of all the three types of tractors is to be completed by the end of 1959.

Together with production of tractors the enterprise "14 Oktobar" started work on motors for these tractors. This work is being carried on in the Yugoslav firm, "Torpedo", Rijeka, and it is expected that the complete production of this tractor will be completed in these two factories in 1959. Among other standard products of the "14 Oktobar" factory it is worth mentioning the production of different types of elevators and transporters for the needs of the food, cement and chemical industry, as well as for min-

ing and architecture. There is also a very modern type of concrete mixes of 250 liters and various other devices for mining and architecture.

The mining equipment which the factory "14 Oktobar" manufactures includes the production of pit and ariel rope-ways, crane transporters, and all kinds of small waggons.

In 1957 the factory concluded a contract with a foreign firm for collaboration in the building of coal separation works on principles of heavy liquid.

The efforts of this enterprise on the production of modern types of railway carriages for Yugoslav, Turkish and Egyptian railways, should also be pointed out.

Although the production of all the mentioned products is carried on in relatively small series, the enterprise is able to replace all parts because they are manufactured with tools and other devices, thus obtaining a high level of quality of these products. We can say without exaggeration that the manufacture of UB1 is at least 20 per cent of better quality than the German dredger NK 100, according to whose licence it is manufactured. There is especially a great difference in the soldered parts, because the "14 Oktobar" has solderers who possess great experience in this kind of work. A considerable difference also exists in the quality of the cast steel which is much better than that used in NK 100 as the Hamburg firm is probably compelled, owing to competition in production, to buy cast steel from small steel-works which produce cheap but not qualitative material.

Thus, from a small workshop founded in 1923 there has developed a large factory which may, in many respects, be envied by many well-known firms in the West.

The factory is situated in the plain between Kruševac and the river Morava.

As 70 per cent of it was built after the war, the workshops are large and light and surrounded with trees and flowers, while there are more than 3000 different varieties of trees in the grounds of the factory, which are intersected with eight-meter wide roads amounting to about 2 kilometers in length. The factory has modern laboratories for mechanical examination of material, a construction department with more than 30 engineers and technicians, a technical library with over 4,000 of the latest books in English, German, French, Russian and Serbo-Croat on all branches of science and technique, especially those dealing with building and mining machines.

The Technical department possesses the most precise instruments and control tools. Special attention is paid to the final testing and examination of proto-types, which undergo tests of several years under the most difficult conditions; and only when all possible constructive imperfections are eliminated does the factory start serial production.

The factory consists of the following departments: forge, foundry for coloured metal casting, department for cog-wheel production, steel workshop, department for machine handling, tools workshop, tractor department, dredger department, departments for carriage production, iron construction, aluminium construction, production of motor rollers, preparation of material, joiner's workshop, department for modelling and overhauling.

The factory has a clinic and first aid station, a dentist's consulting room and laboratory. There is a trade union club with an air-conditioned hall for 600 persons, which is used for theatre and cinema performances.

According to the general plan of the factory made by "Makinoprojekt" of Belgrade, the "14 Oktobar" will eventually have more than 3,500 workers and will occupy twice the ground surface it has now. It will then be one of the largest and most significant enterprises in the machine industry of Yugoslavia.



UNIVERSAL DREDGERS OF 0.5 M<sup>3</sup> TO BE USED IN WATER — WORKS



# JUGOAUTO

## EXPORT-IMPORT ENTERPRISE BEOGRAD

— SPECIALIZED ENTERPRISE FOR EXPORT OF MOTOR VEHICLES, MOTORS, SPARE PARTS AND AUTO EQUIPMENT —

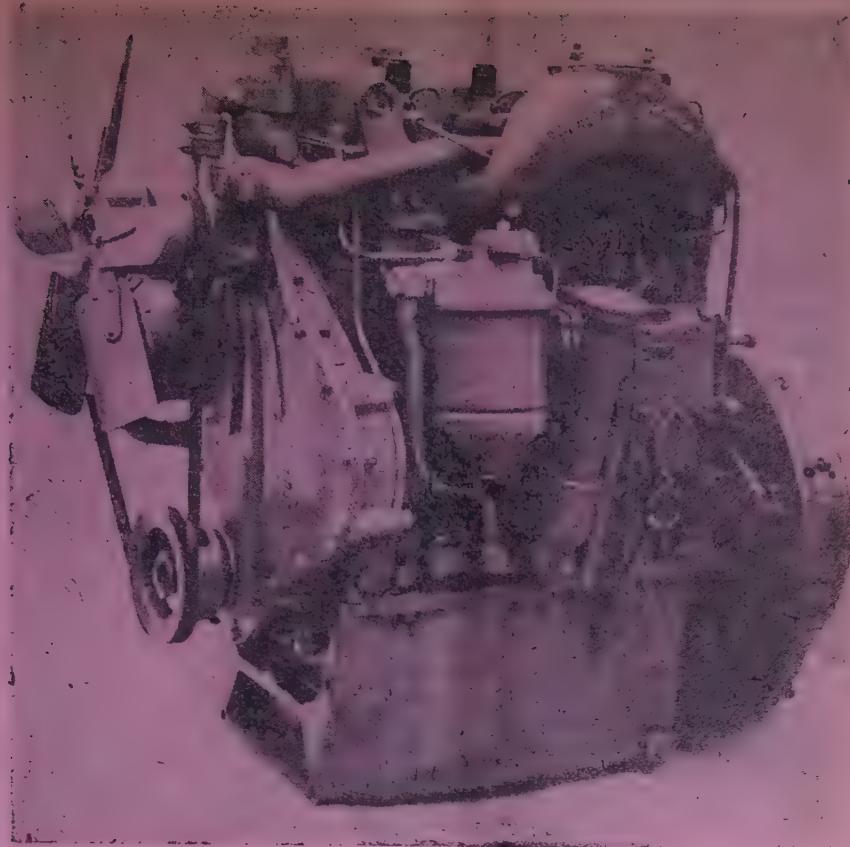
By Krstomir MANDIĆ  
General-Director of „Jugoauto”

JUGOAUTO is the leading enterprise in the automobile trade in Yugoslavia and the only one engaged in Yugoslav motor industry exports. When saying that post-war industrial development in Yugoslavia has greatly advanced, we should add that, the motor industry takes a very prominent place indeed in her industrial achievement. During the last two years it scored enviable successes. Although, as producer of motor vehicles, Yugoslavia appears for the first time on the world market with automobile industry products, the „Jugoauto” enterprise has already succeeded in establishing business contacts with all countries in Asia, Africa and South America, as well as a number of European countries. When tak-

ing part in international fairs, this industry met with a favourable reception among the interested countries, so there are good prospects of practical results being obtained in 1958, that is, of increasing exports. The vehicles which have been exported to various countries have given satisfactory results and there are realistic possibilities for a further successful marketing of vehicles manufactured in Yugoslavia.

The Yugoslav motor industry is developing on the basis of licence contracts and cooperation with individual world-renowned factories as well as manufacturing from its own designs. Its programme includes the manufacture of 5- and 7-ton lorries under licence from the Austrian firm, Saurer Werke A. G. — Wien. This class





mo" motor coaches as well as motor buses for city transport.

The "Crvena Zastava" motor car works at Kragujevac produces passenger cars, 1.5-ton camionettes and station-wagons under the programme and licence, of FIAT — Turin, Italy. In addition to this, Yugoslavia has completely mastered the production of 3-ton lorries with petrol engine, thanks to the efforts of the TAM factory at Maribor. This factory is now getting ready for the manufacture of 4.5-ton lorries under Kleckner Humboldt Deutz licence.

The Motor Industry at Rakovica near Belgrade is fulfilling the whole diesel motor programme under licence from F. Perkin

ins Ltd, Peterborough, England. It has already mastered the 4 cyl. diesel motor and in 1958 it will be building the 3-cyl. motor while 1960 will see the manufacture of the 6 cyl. motor. This factory is also manufacturing tractors of its own design with built-in 40 HP diesel motors. Besides this factory, Industrija Traktora i Mašina — the Tractor and Machine industry — Belgrade also builds tractors under licence of vehicle, as well as motor coach chassis are manufactured by the FAP — Motor Car Factory at Priboj o/Lim, whose answers the standards of the licence partner. With its cooperators, FAP builds modern and luxuriously equipped "Grand Tourist" from Ferguson, England.

Yugoslavia also manufactures motorcycles under licence from NSU, Germany and Puch, Austria.

This is a brief account of the chief Yugoslav motor industry works, but sixty other factories are engaged in the manufacture of motor-bus bodies, special and city service cars, mopeds, spare parts and automobile equipment.

The "Jugauto" enterprise attends to the export programme of the Yugoslav motor industry and endeavours to create connections and conditions for the placing of Yugoslav motor industry products on the foreign market.



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overnment interference and the workers in this sector are increasingly demanding a share in the participation of management.

In every Western European country a similar division can be observed and this is equally true of the newer countries who have achieved their independence from colonial domination, such as India, Pakistan, Burma, Ceylon and Ghana. Even in the United States of America, which is considered to be the very citadel of capitalist free enterprise, the Government ownership of industry and public services has reached such proportions that a great public investment has been established which represents 10% of the American economy.

These great in-roads into what was hitherto the private preserve of the capitalist businessman is undoubtedly the outstanding economic tendency today, as far as Western Capitalism is concerned. This tendency towards collectivism became necessary during the second world war when private capitalism could not function effectively and the state had to constantly intervene in the interests of national defence. The unfettered right of private capitalism to deploy the sources of production without restriction had to be seriously curtailed. Nazi Germany set the pace which had to be followed by the Western Capitalist democracies in order to eliminate the deficiencies of the free enterprise system. Since the war, there has been no return to laissez-faire; on the contrary, governments and parliaments throughout the Western world have adopted a series of measures which have literally created the foundations of a new economic structure which is essentially collectivist in character. This new economic structure has created the need for new forms of democratic control which have expressed themselves in more and more workers' participation in management. The organisational structure of this participation varies from country to country and it is important that some study of these varying structures should be conducted, because we are only commencing the struggle for workers' rights in industry, and there is little doubt that the country that solves the vast problem of human relations in industry and the appropriate balance between workers' management control will be the country which will exert great influence in the future.

#### PUBLIC OWNERSHIP IN BRITAIN

SINCE 1945, the coal, gas, transport and electricity industries and services in Britain have been nationalised, together with the Bank of England and the whole of our hospital and health services. As far as organisational structure is concerned, the same pattern has been followed with minor variations in each industry and service. The coal mines, the workshops, factories, offices, railways and hospitals are all grouped under the control of regional boards, each in turn is controlled by an appropriate national board, examples of which are the British Electricity Authority and the National Coal Board. The national and regional board members are all appointed by the Minister concerned. In the health and hospital services, however, there are places reserved for professional people such as doctors and dentists, but not for the workers in these services. The Chairman and members of these national and regional boards are all, without exception, appointed by the Minister. Each board generally contains previous owners prior to nationalisation and top-ranking employers, some exceptions such as technicians, one or more senior trade union official, and often — and far too frequently — ex-service officers of high rank or retired senior politicians. Every trade union official so appointed is compelled to sever completely his connection with his union. It will thus be observed that control is entirely centralised; there being no representatives either from the body of workers or the technicians in the various industries for consultation on wages and working conditions. There is no direct consumer representation either industrial or domestic; advisory consumer councils have been established in each of the industries and services concerned but their work is entirely advisory and they have no policy-making duties whatsoever. As will be seen, the control is remote: questions can be asked in the House of Commons affecting the nationalised industries only once a year when the annual reports of each industry are submitted to Parliament for debate in the form of a Government White Paper.

#### CO-OPERATIVE FORM OF SOCIAL OWNERSHIP

BY FAR the best example of workers' consumer participation in management as far as Britain is concerned is in our co-operative organi-

sation, where we have 1,000 Co-operative Societies which do an annual retail trade of over 800,000,000. All these Societies are owned, controlled and managed by the consumers. They have their short-coming and the consumers do not always take sufficient interest in their own affairs, but the facilities for consumer control and management do exist because each Society is governed by a board of directors elected each year by the consumers and this board of management must report quarterly to public meetings of the consumers who own the undertakings.

On the productive side of the co-operative movement in Britain we have the Co-operative Productive Federation Limited; a movement founded by Christian socialists to provide self-employment. Today they run forty factories in different parts of the country owned and controlled by the workers employed. These factories include seventeen boot and shoe factories, eight clothing factories, four printing works and four building societies. They represent a living example of industrial democracy in action. The workers employed are all shareholders and part-owners; they enjoy the right to elect management committees or to be voted on to such committees; they receive definite shares of all profits or surplus: indeed these Societies are non-profit-making establishments on the basis of democratic ownership and control.

Much is being done to improve human relations in the publicly owned sector of our British economy and many trade unions have their own schemes aimed at improving the rights of the workers in management in readiness for the time when a Labour Government is returned to power in Britain. My own union, the Chemical Workers' Union, for example, has given close consideration to the problem of workers' participation in management and we have produced a plan for the social ownership of the chemical industry, based on the principle of producer consumer control. The fundamental principle of this plan is centralisation of policy-making and the de-centralisation of executive and administrative responsibility. Our ideas in this regard are very similar to the system of workers' management which prevails in Yugoslavia today.

## JOINT MANAGEMENT IN WESTERN GERMANY

**S**INCE 1947 the basic industries of Western Germany have been controlled by a system of joint management which enables the trade unions to claim half share in the management of industry.

In the iron and steel industry half of the members on all boards of directors must be workers' representatives. In each iron and steel establishment there are three managers, one of whom must be a nominee of the trade unions, and this trade unions works manager is responsible for all labour and welfare problems.

In 1951 the system that obtained in the iron and steel industry was also applied to the coal mining industry and incorporated into the law of the country. In 1952 a further law was passed which guaranteed one-third workers' representation on all boards of management covering all the basic industries of Germany.

All workers' representatives on boards of management throughout Western Germany and all Works Councils are elected at factory level by means of a secret ballot. Apart from these rights of workers' participation written into the laws of Western Germany, the great Volkswagen factory, with a daily out-put of 1,300 cars, the largest motorcar plant in Europe and the fourth largest producer of motor-cars in the world, is run on the basis of joint management between workers, administrators and technicians.

Although West Germany has a capitalist economy, in my view the workers have more democratic control over industry at factory level than exists in East Germany.

## SOCIAL OWNERSHIP IN FRANCE: THE TRIPARTITE WORKERS-MANAGEMENT-CONSUMER CONTROL

**T**HE PUBLICLY owned sector of the French economy covers diverse fields such as banking, insurance, fuel and power, coal mines, gas and electricity, transport both road and rail, important sections of the engineering industry, chemicals, and the Renault motorcar establishments.

The organisational structure is based on tripartite control. In the coal mining industry, for example, there is a Coal Board which is responsible for this publicly owned industry. The structure of the Coal Board of eighteen members allows for six representatives directly elected by the workers, six from Government Departments,

and six from consuming industries and consuming public, whilst the Railway Board consists of twenty members, ten from Government Departments, five from the workers and five from former Railway Companies prior to the railway system being brought under public ownership.

In the private sector of the French economy workers' rights are protected by law. Every undertaking employing more than fifty workers must elect a Works Council. Members are elected for two years by secret ballot and the owner or the Works manager of the establishment must serve as Chairman of this Works Council.

## AMERICAN TENNESSEE VALLEY ADMINISTRATION

**O**NE OF THE most democratic institutions in the world is the T.V.A. or the Tennessee Valley Administration of America. The control and administration of this undertaking is based on manager, technician, consumer representation. During its twenty years of existence it has built twenty-seven dams, has freed ten millions of acres of land from flooding, has increased the consumption of electricity in the area covered ten times, and has reduced the price of electricity to half of the general price throughout the United States of America.

The outstanding feature of the T.V.A. is the fact that all the technicians work happily for the community at less than half the salaries paid for similar employment in private industry. Despite this fact, there is a waiting list as far as the technical and administrative staff are concerned.

**T**HUS it will be seen by this brief study of workers' participation that great changes have taken place during the last ten years as far as the organisational structure of industry is concerned, even in countries which are predominantly capitalist as far as their economy is concerned. Workers' participation in management has been applied, and is being increasingly demanded by the industrial workers concerned, but complete industrial democracy can only be achieved in these countries when the whole balance of economic power has been changed in favour of the industrial workers and the foundations of a socialist economy has been established.

It is clear, however, from the experiences of the industrial workers in the Soviet Union and in the Eastern European countries that to achieve workers' political power by means of re-

volution does not automatically guarantee industrial democracy for the producers. I remember well my early visits to the Soviet Union some thirty years ago when the Soviets were established and factory control by the producers became an established fact. This system degenerated and a centralised bureaucracy was established; a bureaucracy which was dominated by one single Party, the Communist Party of the Soviet Union, which further degenerated into Stalinism, based on one-man rule with its highly centralised system of government. The same pattern of top centralised bureaucracy has been established in most of the Eastern European countries. Thus many changes will need to take place both in the Soviet Union and the Eastern European countries before the workers are able to actively participate in the management of industry.

The best example anywhere in the world of what can be achieved by handing the factories over to the workers is undoubtedly the example of self-government in Yugoslavia, where every factory is an autonomous unit controlled and administered by the workers themselves. The workers' Council elects its own management board, which is responsible for running the factory. The elections for the workers' Council take place every year, only one third of the retiring representatives are eligible for re-election. This has enabled hundreds of thousands of workers to gain experience in the practical task of running their own factories and a similar system of social management or self-government has been applied as far as social insurance, education, and the running of many of the public services are concerned. Such a system is only possible, however, when the workers have won political power and are thus in a position to take the bold steps that are necessary to apply the principles of industrial democracy.

In dealing with the vast subject of workers' participation we are considering one of the most complex and vital subjects of our time. Without the active co-operation of producers, technicians and consumers no economy can expand to the point of abundance. Therefore, it is not merely enough to win political power and concentrate only on political and economic questions; the vast problem of human relations in industry is increasingly becoming "number one" item on the agenda of the trade union and workers' movements of the world.



## THE PATTERN OF THE NEW FIVE-YEAR PLAN

Sergije KRAJGER

THE SOCIAL PLAN of Economic Development of Yugoslavia from 1957 to 1961 represents the synthesis of two basic components of the new Yugoslavia's current social development.

First of all, its point of departure is the result of the development hitherto of the country's productive forces, built up on the basis of the intensive industrialization, the changed relations in its economic structure and the social structure of the population. The amount of national income may serve to provide a global picture of these starting basis. From 986,000 million dinars, or 63,000 dinars per capita, in 1939,<sup>1</sup> national income rose to 1,473,000 million dinars, or 82,000 dinars per capita, in 1956 — this despite a population increase in the interval at an average yearly rate of 1.8. The proportion of the non-agricultural population rose from 25 per cent in 1938 to 42 per cent in 1956. The rapid increase of industrial output and the changes in its composition are shown in the following table.

	1939	1947	1956
Industrial production	100.0	121.0	266.0
— Equipment	100.0	241.0	971.0
— Reproduction material	100.0	113.0	255.0
— Consumer goods	100.0	130.0	230.0

In this context, production of raw steel went up from 15 kilograms per capita in 1939 to 50 kilograms in 1956, and that of electricity from 75 kWh in 1939 to 282 kWh in 1956, being a 276 per cent over-all increase.

But owing to the rapid promotion of basic industries, there was a lag in the development of agricultural production and consequently, in the development of the processing industries to a certain extent. While transport developed at a slow rate and while there was a lag in trade increase, modern construction methods were being adopted in industrial building and in general engineering construction projects, while tasks connected with other kinds of construction work were being solved by extensive development and, preponderantly, by employing a low-productivity labour force. The needs of rapid accumulation enjoined restrictions where the raising of the standard of living was concerned, especially that of the urban population, and demanded a rather one-sided structure of production. It is to be emphasized that this sharpening of the stated disparities — such, in fact, as each economically undeveloped country has to battle with in the process of industrialization — occurred particularly after the economic blockade by Cominform countries and the necessary adjustments in the newly-arisen international situation. As an other manifestation of the changed social structure, of rapid economic development and its internal discrepancies, there appeared a constant deficit in the payments balance, accompanied by a slow rise in the living standard.

Toward the end of the ten-year post-war period, with the consolidation of Yugoslavia's international position, there emerged first results of the country's economic policy and the new method of conducting and directing the economy. Since 1953 there has been a constant and rapid rise in industrial production, at an average rate of over 11 per cent

annually. In this same period an increase was also witnessed in agricultural production and changes in its composition in favour of stock-breeding, as well as an ever stronger self-assertion of State Agricultural Farms and General Agricultural Co-operatives as the organized of modern farm production in co-operation with the individual growers. This led to a relative stabilization of the economy and the market, to enhanced productivity of labour and a rapid and constant upward trend in the export of manufactures (25 per cent from 1955 to 1956, and 29 per cent from 1956 to 1957). Such movements provided real conditions for a quicker reduction of the adverse payments balance with a simultaneous increase of the country's own accumulative capacity, for a more rapid tempo of economic development and a constant and systematic rise in the living standard of the population. The further promotion of these trends from economic development of recent years constitutes the aim and pattern of the new Five-Year Plan.

### CO-ORDINATING PRODUCTION RELATIONS WITH THE FURTHER DEVELOPMENT OF PRODUCTIVE FORCES

The changed social and production relations, as well as the creation of conditions for the further development of workers' and social self-government and the buildup of the communal system, constitute another basic component of the Five-Year Plan. In this respect conditions for the further development of the new social and production relations are being co-ordinated with the development of productive forces, and vice versa; the envisaged promotion of material forces and proportions in the distribution of national income is being co-ordinated with the need of furthering the new social relations as a potent factor in economic development.

The Five-Year Plan draws on the rich experience of Yugoslavia's social and economic development gained since 1950, that is, from the time of the transition to the system of workers' self-government. In the period of our economy's adjustment to the conditions engendered by the blockade, workers' self-government has essentially contributed to overcoming difficulties. Coupled with the building up of the communal system, it lent characteristic breadth to economic impetus, accelerating the changes in the composition of distribution towards a more co-ordinated development of the individual kinds of production and consumption. An analysis of the laws inherent in the attained level of the economy and its structure, its rapid development and the changes based on the achievements of the new social and production relations has proved a precondition for preparing a multi-annual plan of economic development, and its indispensable starting point. And this has required time: first, for internal disparities and the laws of economic movement and market action to manifest themselves and, second, for examining the principles governing the building up of a fitting economic system and economic mechanism on the basis of experiences since 1950. This has been necessary for the constant improvement of this system, so that it may obtain more durable bases in the latest legal prescripts, the aim of all these efforts being to create conditions for a steady development both of the economic organisations and communes, and of all organs of social self-

<sup>1</sup> Calculated at 1956 prices.

government. Analysis and study of these laws has proved an indispensable means for putting the preview of multi-annual economic development upon a solid scientific basis, pinpointing the basic contradictions, the dynamics of their solution, and the objective possibilities of continued development. This has been the condition for finding means and methods founded upon the personal concern of the producers themselves, that of every working man and every economic organization, and which would also facilitate the greatest mobilization of the basic productive forces for the Plan's realization. In this way alone has it been possible to avoid arbitrariness in the planned previsions and in setting goals and directives, as well to avoid as a non-principled pragmatism such as would be mirrored in ignoring disparities or viewing them one-sidedly. This will make it possible to put forth the efforts required for the Plan's realization through the initiative of the working masses primarily, not through pressure by either the central or the local administrative organs.

For these reasons, the idea that Yugoslavia gave up long-term planning after 1949 is erroneous. Long-term planning has proved a practical necessity in conditions of the contemporary social division of labour and development of technology and productive forces — whether in Socialist countries with social ownership of the means of production or in capitalist ones — in various forms and degrees of State intervention, especially in underdeveloped countries, for the purpose of concentrating the efforts and the available resources to overcome economic backwardness. Yugoslavia had to adapt the programme of her development to the new international conditions, she had to amend some items of the first five-year plan, and, where basic industry was concerned, to modify and, in some measure, enlarge the development programme at the expense of other domains, notably agriculture, transport and the construction of projects serving the social standard. This programme has from 1952 to 1955 served as a basis for the investment policy of all annual plans so that all other proportions in the distribution of the national income, as well as the structure of production and international exchanges, were subordinated to this aim, as well that of strengthening the country's defence forces. In these circumstances, the necessary stability was lacking in the economy, due particularly to the still insufficiently stable factors needed by the advance of such as a rise in personal consumption and the social standard. In consequence, the efforts to complete the capital construction projects begun, to expand international exchanges and co-operation with foreign countries the basis of long-term arrangements, to promote social self-government and the building up and perspecting of the economic system, together with the partial long-term plans of development of various economic domains and the efforts to promote economic science and a corresponding methodology, had as their object, *inter alia*, the quickest creation of conditions for preparing a new, multi-annual plan of economic development. With the enactment of the Social Plan of Economic Development of Yugoslavia From 1957 To 1961, this problem has been solved basically, although during the preparation of the Plan it became apparent that a co-ordinated social and economic development on the basis of the present-day technology and structure of the means of production demanded, besides medium-term plans, that the conditions of economic development should be considered for a period longer than five years.

The Five Year Plan, coupled with all the legal prescripts serving to stabilize the economic system and the conditions

of economy, provides all economic organizations and all self-governing units with their orientation regarding the direction, the objective possibilities and the framework of their development. The integrated policy of the country's economic development formulated in the Five Year Plan, marked by a weighing of the possibilities and dynamics of development of the individual economic domains and kinds of consumption, as well as by a quantification of their interrelations, will find further elaboration in the plans of the economic organizations and their associations, and in those of the people's republics, the districts and the communes, consonantly with their specific conditions and possibility of development. Consequently the Five Year Plan of Economic Development of Yugoslavia, in conditions of social ownership of the means of production and social and workers' self-government, constitutes a factor of continued stabilization of the rapid economic development and continued consolidation of socialist social relations. It will also serve as a base for the economic development plans of the political-territorial units and economic organizations, and for establishing their potentialities, so that, in implementing an integrated policy of economic development, in accordance with the specific conditions of each area or economic domain and production, the quantitative previsions of the Plan may be surpassed and the planned creation of resources, realisation of proportionate distribution of national income and balancing of relations in the economy speedily carried out.

#### SUMMARY

Determination of the speed of development and priority of the basic tasks and aims of the Plan, as well as line of economic development in the period ahead in the province of material relations and trends in material movements, is the result of the development up to now, the utilization of the production and other economic and geographic conditions of rapid economic development, as well as Yugoslavia's quest still more to expand economic co-operation with other countries. The new social and production relations, the elaborated economic system, co-ordinated with the new relations and basically stabilized in the pertinent legal prescripts — and this means the direct personal concern of the producers, the working men and the working collectives, as well as that of the communes and the communities of producers and consumers to turn to account all opportunities and available reserves for the speeding economic development — form the crucial factors determining the status of the producer and the working man as the fundamental forces of economic and social progress.

If we ignored these considerations, the programme laid down might seem ambitious and unpractical, perhaps incompatible even with the principles of the further advancement of our Socialist Democracy. And if one considers our experiences to date in conditions of workers' self-government and the promotion of the communal system, and particularly the results achieved in 1956 and 1957, as the first year of the Five Year Plan, then not only are we able to accept the previsions *in se* as realistic, but we can also visualise the prospect of their being surpassed — on the assumption, of course, that the various exogenous factors will not undergo any essential change.



# PERSONAL FREEDOMS AND RIGHTS OF CITIZENS IN YUGOSLAVIA

Dr. Josip HRNČEVIĆ

Chief Justice of the Supreme Court of Yugoslavia

THE PROBLEMS of personal freedoms and rights of citizens deeply affect the essence of every democracy, whether bourgeois or socialist. They cannot be considered separately from general political, economic and other conditions of life. The system of personal freedoms and rights of citizens, as well as the methods of their realisation, embody all the basic features of the social and political system within which they exist and are guaranteed.

The state system of Yugoslavia and her whole system of personal freedoms and democratic rights of citizens are characterised by the following historical facts: the state authority in Yugoslavia is in the hands of the working people; the general nationalisation of means of production has been carried out, with the exception of individual peasant holdings and minor tools for production; the socialized means of production have been handed over to the workers collectives and their representatives, the workers' councils. The whole social and political system is based on the consistent realisation of the principle of social and workers' self-government. The existing system of democratic rights and personal freedoms of our citizens derives from the political and economic basis, just as private property in capitalism and its political basis represent the real ground and framework within which the personality of man can move and develop in capitalism.

Yugoslav socialist democracy guarantees its citizens all the freedoms and democratic rights laid down by the French Revolution, and which have become the permanent achievement of every democracy. These are: inviolability of personality, protection of marriage and the family, protection of personal and private property within the limits of the law, freedom of opinion and speech, right to elect and to be elected, and other democratic rights of citizens. This is completely comprehensible, as Yugoslavia forms an integral geographical part of Europe and its civilisation.

The working masses under capitalism have also, in the past hundred years, won significant social and economic rights, such as the right to an eight-hour working day, the right to health and social protection, etc. The socialist democracy of Yugoslavia guarantees its working people all these rights, in addition to important new democratic and social economic rights, the most outstanding of which are: the right to participation in the management of economy and social services, the right to the work and the creation of personal assets earned by working with means held as socialized property, the right to free schooling of children and youth, the right of workers to free training and education, and a series of other rights of employed persons, all of which are guaranteed by the law.

The democratic value of a system consists, not only of rights guaranteed to citizens, but also of the means which the system provides for the realisation of these rights. For this reason our social community provides significant means; they are even increased every year in the limits of its economic capacity. Thus in 1956 our community gave about 1,150 million dinars for the material security of temporarily unemployed workers, and more than 135,000 million dinars, that is 9.34 per cent of its national income, for various kinds of health protection and social insurance. This is undoubtedly

a proof of care for the health, and the material and cultural needs of the people.

Relations between the state organs and the citizen is a very important question — whether the state organs respect personality and the dignity of man; and what kind of protection — real and legal — they offer their citizens in the realisation of the rights and freedoms guaranteed by the law. In this respect the situation in Yugoslavia is also favourable. Our citizens enjoy full legal protection of their freedoms and rights in proceedings before the court of law and the organs of government. As members of juries and various councils, committees, and commissions in the people's committees, our citizens participate in trials and the presentation of legal acts. A successful campaign against various aspects of bureaucracy and bureaucratic self-determination has been carried out in Yugoslavia, not only through political actions but — what is more important and decisive — through the creation of such general political and social conditions as cut to the roots of bureaucracy and reduce cases of violation of the law to the minimum. Single cases of violation of the law, which still occur to the detriment of citizens, cannot be ascribed to the system. These are excesses of individuals, which unfortunately cannot completely be avoided even in the most democratic system. And when they are detected, the performers of such excesses are called to answer for their actions and are subject to disciplinary measures under the criminal law.

Yugoslav citizens enjoy all the democratic and political rights guaranteed by the Constitution and the law. Besides this, they enjoy complete freedom of expression of opinion and of determination in all matters of political and social life. The whole system is based on the principle of social and workers' self-government and citizens have an almost daily opportunity of expressing their opinion and taking part in various communal and general matters. Yugoslav citizens also have a broad right of public criticism, and the authorities find no reason to restrict this criticism, but on the contrary, encourage it their attitude and action. Criticism of an individual's political, social or other public activity, however sharp, is unpunished unless it constitutes an insult or other act liable to the Criminal Law. Subversive propaganda constitutes one of these criminal acts. Legally this is defined as propaganda which directly or implicitly calls for the overthrow or undermining of the existing state and social system. We may mention the fact that in 1956 only 187 persons were sentenced for such criminal acts. The average duration of sentences of deprivation of liberty for this act is about 18 months. If we take all this into account, it is obvious that such a small number of criminal acts cannot endanger the existing social system. These acts are, however, so harmful that they must be suppressed according to the existing law. Otherwise so-called political criminals have almost completely disappeared.

Remarks and criticism from some foreign circles can be heard from time to time regarding the alleged restriction of free expression of opinion in Yugoslavia, the impossibility of forming more political parties, etc. These critics try to estimate the democratic value of our political system from the point of view of western bourgeois democracy. They refuse

to realise that Yugoslav democracy is fundamentally different from bourgeois democracy, and that the public and political life of our citizens is manifested in a completely different way. We do not need to react to this criticism by pointing to the methods that some régimes of western countries resort in the suppression of various so-called „anti“-activities, or by pointing a finger at the persecutions to which, for example, the writer Arthur Miller and many other loyal citizens have been subjected because of their convictions. The only thing we can do in this respect is to indicate our socialist and democratic reality.

Let us consider the question of the protection of the personal freedoms of man, so that we may see how it is realised in legal proceedings, as well as in the safeguarding of the property of citizens.

The criminal legislature of Yugoslavia is based on these general principles:

— nobody can be punished for an act which, before it was committed, was not lawfully defined as criminal, or for which the law does not prescribe the punishment of the person who committed it;

— a person against whom legal proceedings are undertaken is not found guilty unless his criminal liability is fixed by lawful judgement;

— the courts of law and other state organs participating in legal proceedings are bound to determine liability and all other relevant facts are important for pronouncing a legal decision. They are bound to examine and determine with equal care both the charges against and the facts in favour of the accused;

— the accused has the right to defend himself personally or with the help of a lawyer in preliminary proceedings and later, until the verdict is pronounced. The law prescribes when the court is to appoint a lawyer for the defence, if the accused does not choose one himself;

— organs in charge of criminal proceedings are bound to respect to the maximum the person and dignity of the accused. Application of physical or mental compulsion against the accused in efforts to extract admission of act or the revealing of accomplices is rigorously forbidden;

— arrest may last three days; but under certain legal conditions and by special decision of the court, arrest may last at the longest 21 days. The arrested person must be examined within 24 hours and in this period be must be in-

formed of the decision for his arrest. The arrested has the right of appeal against this decision;

— the legal inquiry is in the hands and under the control of the court. Only the judge hearing a criminal case can order imprisonment awaiting the trial. As a rule, the imprisonment awaiting trial lasts for two months and may be prolonged only by the decision of a district court of law, the republican supreme court or the federal supreme court. The prolongation of imprisonment during trial from 6 to 9 months can be allowed only by the Federal Supreme Court;

— the accused has the right of appeal at a higher court against every sentence of a court of law;

— a person who is unjustly sentenced or illegally deprived of liberty by being held in arrest or prison during trial has the right to complete indemnity of material loss.

The organs in charge of legal proceedings are bound to respect and apply these principles and regulations. If they violate them, they are liable under the Criminal Law. Such cases are very rare in practice. Thus, in the period of 1952—1956 there were 29 persons sentenced for criminal extortion of evidence (under article 151 of the Criminal Law).

The penal policy of Yugoslavia is deeply imbued with the principle of humanity. The death sentence is pronounced only in exceptional cases for the most brutal acts of war crime or murder. The percentage of long-term sentences of hard labour is proportionally low. The majority of sentences constitute imprisonment up to 6 months (52 per cent) and fines (about 37 per cent). The number of conditional sentences is about 50 per cent. A large number of sentenced persons are amnestied before the sentence is over, or are released conditionally. Conditions under sentence are humane. This may be attested to by all those who have had an opportunity of seeing our prisons and reformatories.

The Yugoslav Constitution and laws guarantee inviolability of private peasant holdings. The maximum of agricultural property which can be held is 15 hectares of cultivated land. Inheritance of private property is guaranteed by the general regulations in the Law on Inheritance. Trade in privately held real property and buildings is free. Co-ordination of peasant and state collective farms is carried out strictly on the principle of goodwill and the mutual benefit of the peasants and the collective farms. The courts of law and organs of government offer private owners full protection of their property rights in regular proceedings.

## FEDERATION AND THE LESS DEVELOPED AREAS

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FROM the very beginning of the planned social and economic life of the new, socialist Yugoslavia, a conspicuous place among the political and economic objectives of the country's development was taken by efforts for the development of its undeveloped areas.

Before the creation of the Versailles Yugoslavia, the countries and peoples incorporated in it had developed under quite unequal historical, economic and political conditions. This was the reason for their uneven

social and economic movements in the past, and the new state, undeveloped as a whole, bore obvious marks of social and economic inequality and disharmony between the social, political and economic relations which existed in the twenty years of the life of old Yugoslavia, essentially a centralistic, hegemonic capitalist and exploiting state, not only failed to modify these inequalities, but actually helped to accentuate and increase them.

Thus after the creation of the Federal People's Republic of Yugoslavia, the new social forces which started the process of the country's socialist development inhe-

rited not only the backwardness of Yugoslav economy as a whole, but also the considerable differences in the degree of economic development of the individual districts, areas and even whole republics.

In such circumstances the successful building of socialism and socialist social relations could be carried out only after steps had been taken to overcome the inherited economic backwardness of the country, do away with the semicolonial character of its economy and attain such a level of material forces as could provide a basic for new, socialist relations and for an unhindered and independent development in the direction of socialism.

In the realization of these objectives, the conscious socialist forces which head all the social movements in our country did not forget the specific characteristics of our new state — that a federal state, a community of equal peoples.

Practice in the building of new Yugoslavia has shown that the firmness and the monolithic character of socialism and socialist social relations is a basic condition for the firmness and the monolithic character of the Federation, and that the preservation and further strengthening of the unity of the brotherly community of equal peoples is indispensable for the successful building of socialism in their common State.

The solution of the national question in Yugoslavia is the source of the strength of Yugoslav socialism, while the socialist social and economic development of the country demands the elimination of the inherited economic inequality and the economic backwardness of the individual peoples and republics, thus providing conditions for the strengthening of the social and material basis of socialism.

There is no need to state that to leave the development of backward areas solely to the funds created by these areas — to self-financing by way of exclusively mobilizing local material sources — would really mean to keep them in their undeveloped state, for the simple reason that the opportunities these areas possess to create their own capital funds are limited. The nature of economic movement would inevitably cause an ever greater lagging behind of their economy, as well as disproportions between the developed and under-developed areas.

The policy of including the liquidation of the social and economic under-development of certain Yugoslav areas in the essential economic and political objectives of socialist development, is imperatively demanded by the social and economic interests of the whole of Yugoslavia.

Despite her federal structure, the new Yugoslavia is an integral region in which the process of economic and social socialist transformation is under way.

Hence the existence of under-developed areas in this country exercises an unfavourable influence on the movement of Yugoslavia's socialist development as a whole.

Referring to this question, Comrade Kardelj said that the „productive capacity of hundreds of thousands of workers in the backward areas of our country is lost, not only to them, but also to our socialist community as a whole. This potential productive force remains unutilized, as it cannot be turned to account under conditions of backward means of production. Enormous economic resources lie fallow and unexploited instead of

being included in the storehouse of the country's material assets, as the possession of all her peoples. Therefore, it is not only in the interests of the backward areas of the country to extricate themselves from economic backwardness, but it is of great economic significance for the developed areas as well."

The pressing need for solving the problem of the individual undeveloped areas by rescuing them from their backwardness is fully evident when viewed from the standpoint of new the social socialist relationships which are being developed in this country.

The existence of these extensive backward areas — in which, owing to the undeveloped nature of the means of production, there is no material base for the new forms of social self-management, no conditions for the creation or fuller activity of the mechanism of direct socialist democracy, nor for the participation the broad people's masses in the management of economic and all other social activities, above all in the basic cells of the society, the communes — causes considerable detriment and creates many difficulties in the building and functioning of an integral social system.

## II

THE BASIC method used in doing away with the economic backwardness of individual areas, consisted of a considered distribution of new investments in those areas.

The volume of such investments and their economic structure, however, depended on the general conditions and requirements of the entire Yugoslav economy. These investments, which provided for a rapid development of the backward areas, could not be permitted to pass beyond the framework of the general investment programme which was devoted to the overall social economic and political objectives of the development of the whole country. If these investments failed, fully or at least to a large extent, to tap the latent local material sources, and they did not emanate from the overall Yugoslav balance, the use of these investments would be economically unwarranted and detrimental to the whole, and hence also to the backward areas themselves.

Experiences gained regarding investments made hitherto in the backward areas, have confirmed that these principles have been fully respected. This was all the easier as the backward areas in Yugoslavia are such, not because of their potential backwardness, or want of natural and other material resources, but because their productive potentialities have not been put to use in the past. It is a happy circumstance that the efforts to do away with the economic backwardness of certain areas have coincided with the realization of the general economic objectives of the Yugoslav community.

Complex international conditions following the Second World War, and particularly the events of 1948, which directly affected this country's vital interests, greatly influenced the trend and programme of Yugoslavia's investment and development. These unforeseen circumstances imposed a need for considerable changes in the plans of economic development and, a somewhat different distribution of national income than was originally intended — both as regards the location and the purpose of investments including the need for building military projects.

For the same reason the removal of under-development in backward areas could not be fully carried into

effect within the scope and at the rate envisaged by the Yugoslav Five-Year Plan of Economic Development for the 1947-1951 period, or by the annual economic plans which were carried into effect later.

Whereas earlier the backward areas of Bosnia and Herzegovina and Montenegro achieved a considerable rise of productive forces by means of investments made in the elapsed period, the situation in Serbia and Macedonia, although these also achieved a considerable overall development was characterized by a relative dilatoriness.

These relations may be illustrated by the movement of investments in the various people's republics in the 1947-1955 period, reckoned per head of the population:

People's Republic	Investments per capita in dinars	
Yugoslavia: total	173,077	100,0
Serbia	128,807	74,4
Croatia	183,153	106,8
Slovenia	267,783	154,7
Bosnia and Herzegovina	209,922	121,3
Macedonia	128,967	74,5
Montenegro	244,106	141,0

The value of the basic funds per inhabitant indicates a quicker rise of level of the basic funds in the less developed republic.

	In 1952 prices			
	1947		1955	
	amount	index	amount	index
Yugoslavia	66,004	100,0	133,292	100,0
Serbia	50,205	76,1	95,775	71,9
Croatia	79,526	120,5	158,503	118,9
Slovenia	212,739	322,3	319,228	239,5
Bosnia and Herzegovina	25,141	38,1	135,617	101,7
Macedonia	31,698	48,0	64,075	48,1
Montenegro	21,580	32,7	68,294	51,2

On the basis of such a considered distribution of basic funds over definite areas, it was possible to achieve an increase in overall production throughout the country, and particularly to stimulate a rise in production in the backward areas in the 1947-1955 period, as will be seen from the following review:

	Total production with agriculture		without it
Yugoslavia	151,6		177,8
Serbia	129,3		150,9
Croatia	159,1		183,2
Slovenia	172,3		186,9
Bosnia and Herzegovina	180,0		220,1
Macedonia	159,1		206,8
Montenegro	180,0		250,1

However, as the liquidation of backwardness is a process which can only evolve deliberately and according to plan within a definite frame, our socialist community, bearing in mind the need for the creation of the necessary conditions and average level of the social and living standard, as well as the legal and economic status of citizens and local social communities for the whole

Yugoslav territory, does not neglect the backward areas when allotting funds and distributing them over the various areas.

If we take into account, not only material production as a direct indication of the productive forces and hence of the level of the individual republics, but also consumption, it will be noted that differences in degree are not so great as formerly. That is to say, by following a definite system of setting aside social funds and applying the existing pay system, the community is maintaining a definite level of general expenditure for all the areas and, within the framework of personal consumption, also a definite level of pay funds. As a result, the differences in general and personal consumption are much smaller than on the basis of material production. This will be seen from the following review based on the situation in 1955:

	Percentages:			
	in production	personal consumption	in general consumption	budget consumpt.
Yugoslavia	100,0	100,0	100,0	100,0
Serbia	35,1	38,5	35,7	37,5
Croatia	26,8	27,0	23,5	25,0
Slovenia	18,0	11,7	14,6	13,6
B. and H.	13,6	14,8	15,2	13,3
Macedonia	5,1	5,8	7,1	7,0
Montenegro	1,4	2,2	3,9	3,6

### III

The first Five-Year Plan of Economic Development of Yugoslavia for the period 1945-1951 was followed, up to 1956, by the adopting of annual plans of economic development. Occupied with efforts to prepare and elaborate the new social and economic system, the leading forces of our country could not devote themselves to the voluminous and complicated problems of long-term planning.

The absence of a long-term visualization of economic development hindered the fully successful harmonizing of the development of economic areas and the removal of various disproportions, including that of economy as a whole. The absence of such a plan also affected the further eliminating of under-development in individual areas as an integral part of the overall social and economic development of the country.

The carrying into effect of the Social Plan of Economic Development of Yugoslavia for the 1957-1961 period provides for a more economic and surer materialization of all economic and political objectives in the coming period, as well as the further considered extension of aid to the economically under-developed areas.

Macedonia, Montenegro, and the Kosovo-Metohija region (which forms part of the People's Republic of Serbia), are considered as integral under-developed areas whose economic development will be specially stimulated in the new planning period.

Substantial investment, intended for these areas will ensure their further rapid development. It will suffice to say that the 1957-1961 period will see the net investment of no less than 254 billion dinars in the economy of these areas. Of this amount the Federation guarantees from its own sources and for definite economic projects located in these areas, the sum of 194 billion dinars. The rest will be ensured from the means of economic

organizations and local investment funds in these areas, as well as from the Federation funds.

Other provisions on the part of the Federation with a view to helping more efficaciously the under-developed areas deserve attention. The necessary means will be allotted to economic organizations on the territory of Macedonia, Montenegro and the Kosovo-Metohija region for the utilization of credits from the general investment fund, with which they will be able to pay debts and make other payments for the credits to be granted them. In granting credits, priority will be given to applicants from the underdeveloped areas, in so far as they equally satisfy the criterions of profit-making.

Of the instruments for stimulating economic development in the under-developed areas, we may mention the method by which annuities on loans granted by the Federation from the general investment fund for capital expenditures in Macedonia, Montenegro and the Kosovo-Metohija region, are paid into their own investment funds, so that the capital funds of these areas may be augmented.

There is no doubt that, in view of the substantial increase of production and incomes of the whole country to be realized in the 1957-1961 period, the position of the areas now undeveloped will present a quite different, brighter picture at the end of the planning period, thanks to the new and strong material stimulation of the Federation and the creative energy of the producers.

Then the day will be close upon us when that gloomy remnant of the past will forever be eradicated from the bright landscape of socialist Yugoslavia.

## ENCOUNTERS AND TALKS

**TREATY OF FRIENDSHIP BETWEEN YUGOSLAVIA AND YEMEN SIGNED.** Following two days' conversations between the State delegations of Yemen and Yugoslavia, a Treaty of Friendship, a Trade Agreement and an Agreement on Scientific and Technical Co-operation were signed between the two countries on December 28, 1957 in Beograd. The first also provides for an exchange of diplomatic representatives. The documents were signed by the Crown Prince of Yemen Seif el Islam Mohammed el Badr and the Vice President of the Executive Council of Yugoslavia Svetozar Vukmanović. The chief of the Yemenite delegation and the members of his entourage were received by the President of the Republic Josip Broz Tito on December 27.

**YUGOSLAV DELEGATION ATTENDS FUNERAL OF THE GRAND PEOPLE'S ASSEMBLY OF RUMANIA.** The Vice President of the Federal People's Assembly, Vladimir Simić, the member of the Federal Executive Council, Nikola Minčev, and the Yugoslav Ambassador to Rumania, Nikola Vujanović, made up the Yugoslav delegation which attended the funeral of the President of the Grand People's Assembly of Rumania, Dr. Petru Groze, on January 10.

**MEMBERS OF THE CENTRAL COMMITTEE OF THE LEAGUE OF COMMUNISTS OF YUGOSLAVIA AT THE JUBILEE MEETING OF GRAMSCI INSTITUTE.** On the invitation of Gramsci Institute, the members of the Central Committee of the League of Communists of Yugoslavia Boris Žiherl and Cvjetin Mijatović left for Rome on January 9. They were to attend the Jubilee Meeting of the Institute organized to commemorate the 20th Anniversary of the death of Antonio Gramsci, one of the founders of the Communist Party of Italy.

## CULTURAL AND SCIENTIFIC CO-OPERATION

**HUNGARIAN GRAPHIC ARTISTS EXIBITING IN YUGOSLAVIA.** An exposition of the works of nineteen Hungarian graphic artists, representing a cross-section of different generation, was opened in Beograd on January 11. The creations of Beograd's own "Graphic Arts Collective" were displayed in Budapest simultaneously.

**"SOCIALIST YUGOSLAVIA IN PHOTOGRAPHY" EXPOSITION OPENED IN RUMANIA.** The Rumanian Institute for Cultural Co-operation With Foreign Countries has organized the Exposition "Socialist Yugoslavia in Photography", which was opened in Bucarest on January 4. The Exposition traces the development of the Yugoslav peoples in the People's Liberation War and the post-war period.

**A DELEGATION FROM RUMANIA.** A delegation of the Union of Metalworkers of Rumania arrived in Yugoslavia on January 9, for purposes of acquaintanceship with the activity and problems of Yugoslav metalworkers, as guests of the Central Board of the Union of Metalworkers of Yugoslavia. — Also staying on a visit to Yugoslavia were the representatives of Rumanian printing workers, being the members of the Union of the Cultural-Educational Profession. These guests came on the invitation of the Union of Printing Workers of Yugoslavia.

**GUESTS TO POLISH CONGRESSES.** The Congress of Poland's Union of State Employees, held in Warsaw from January 9-11, was attended by a representative of the Yugoslav Board of the Union of Mine- and metallurgical Workers of Yugoslavia Union of State Employees. — The Secretary of the Central of Yugoslavia attended the Congress of Polish Unions of Metallurgical Workers, held in Warsaw from January 10-12.

## OTHER CONTACTS

**YUGOSLAV OBSERVERS AT MEETING OF U. N. REFUGEE FUND.** Two Yugoslav observers are attending the Seventh Session of the Executive Committee of the UN Refugee Fund, which was opened on January 13 in Geneva. The Session's agenda include, inter alia, the question of Hungarian refugees in Yugoslavia.

**OFFICIALS OFF TO U. S. A.** On the invitation of the U. S. Assistance officials of the Yugoslav republican executive counseled countries toward the establishment of SUNFED, left on January 11 for a six-week visit to U. S. A. They are to familiarize themselves with the operations of U. S. Technical Assistance and the Department of Agriculture and Mining. These Yugoslav specialists are also to pay a visit to the U. N. Technical Assistance headquarters in New York.

**ATTENDING AERONAUTICAL FEDERATION'S MEETINGS.** The representative of the Aeronautical Federation of Yugoslavia attended the Paris session of the International Aeronautical Organization, from January 6-15. This included attendance of the meetings of the secretaries general of aeronautical federations, of the Organization's Administrative Board and the Commissions on Aeronautical Education and Economic-Technical Questions respectively.

## NEGOTIATIONS AND AGREEMENTS

**VISITING POLAND.** A Yugoslav delegation left on January 4 for a fortnight's visit to Poland and discussions regarding co-operation in the field of social welfare between the two countries, on which subjects a convention is to be concluded. The delegation was led by the President of the Committee on Social Welfare of the Federal Executive Council, Moma Marković.

**DANUBE COMMISSION'S SESSION.** The Sixteenth Regular Meeting of the Danube Commission is scheduled to open in Budapest on January 16. The meeting, being attended by the Yugoslav delegation also, will review a number of questions involving navigation on the Danube River, viz., the question of execution of major work to secure the navigable channel, the problem of ice control on the stream and the question of enacting recommendations on veterinary and phytosanitary supervision.

## CHRONOLOGY OF POLITICAL EVENTS

**January 1** — In his New Year Address to the peoples of Yugoslavia President Josip Broz Tito also advanced the proposal for a meeting of the representatives of big and little countries on summit level for the purpose of devising possibilities for the cessation of the cold war.

**January 9** — President Josip Broz Tito complied with the request of the citizens of Belgrade to accept the candidacy of deputy for the constituencies of Čukarica and Rakovica.

**January 10** — At the session of the Federal Committee of the Socialist Alliance of the Working People of Yugoslavia which was also attended, apart from the members of the Plenum also by the presidents of the district committees of the Socialist Alliance and directors and editors in chief of the Yugoslav papers, radio stations and news agencies, the results accomplished so far in the field of socialist development in our country and the political preparations for the elections to the Federal Peoples' Assembly and republican parliaments were discussed. The Plenum was presided over by the President of the Socialist Alliance Josip Broz Tito, while a report was submitted by Svetozar Vukmanović member of the Presidium. He spoke of the development of the system of social self-government and the strengthening of socialist democracy, on the results of economic development and forthcoming tasks, on the results, prospects and problems of industrial development, on the development of agriculture and the need to promote the system and functioning of the trade network, on the development of consumption and the standard of living and the necessary measures to ensure a stable economic development. Referring to foreign political activities Vukmanović devoted special attention to active coexistence as the principle of Yugoslav policy as well as the Yugoslav relations with individual countries. After the discussion on the report of Svetozar Vukmanović, the Plenum approved the proposal put forward by Presidium member Krsto Popivoda to authorize the Presidium of the Federal Committee to publish a pre-election proclamation.

**January 8** — President Josip Broz Tito received the newly appointed Yugoslav Ambassador to Morocco Mustafa Vilović.

**January 8** — President Tito received US Ambassador James Riddleberger on a farewell visit.

## OUR NEW CONTRIBUTORS

**ANDRE PHILIPPE**, prominent member of the Socialist Party of France, formerly professor of economy at the University of Lyons, Rhône Department deputy in Parliament, Minister of Finance, Minister of Economy. Member of the Economic Council and President of the Socialist Movement for the United States of Europe. Has published a series of noted works on international politics and economy, especially dealing with problems of the socialist movement.

**BOB EDWARDS**: member of the British House of Commons. General Secretary of the British Chemical Workers Union.

**VIDEOJE SMILEVSKI**: Vice-President of the People's Assembly of the People's Republic of Macedonia, Member of Parliament, Member of the Central Committee of the League of Communists of Yugoslavia, President the War Veterans Federation of Macedonia.

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## DIPLOMATIC DIARY

**January 7** — President Josip Broz Tito received the Soviet Ambassador Extraordinary and Plenipotentiary Ivan Konstantinović Zamcevski.

**January 7** — The Yugoslav Ambassador to the Court of St. James Ivo Vejvoda visited the British Foreign Secretary Selwyn Lloyd with whom he had a chat on some international problems and the relations between the two countries.

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